



GAIL INDIA LIMITED

75
आज़ादी का
अमृत महोत्सव

नव चेतना Nav-Chetna

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





Energizing



rowth

ENERGIZING POSSIBILITIES





स्वच्छ ऊर्जा के साथ विकास
Growing with Green Energy

1
2019

दीपक गुप्ता
DEEPAK GUPTA



GAIL (India) Limited

निदेशक (परियोजना)
Director (Projects)



MESSAGE

The Nation is observing Vigilance Awareness Week from 31st October - 06th November 2022. The theme of this year's Vigilance Awareness Week has been chosen as **“Corruption free India for a developed Nation”**. To achieve the vision of a Corruption Free India, it is important that all the stakeholders, be it Government Organizations, Citizens or Public/Private/Proprietorship firms etc. have to come together to create a Corruption Free Environment.

We, at GAIL, value our Suppliers, Vendors, Contractors, Consultants and all other goods & service providers as one of the most important stakeholders and consider them as valuable business partners. Every year, on the occasion of Vigilance Awareness Week, we organize Business Partner Interactive Meets to consolidate our business relationship. During these meets, we share various new initiatives taken by GAIL to improve the ease of doing business with our stakeholders.

In these meets, open platform is available to all our stakeholders, suppliers / service providers to interact with the top management of GAIL and share their feedback/suggestions to bring further improvement in contracts & procurement systems & procedures.

Over the years, GAIL has taken many steps to address stakeholders' concerns by introducing several new provisions to make tendering process simpler and easier such as Pre-Tender Conferences, Reduction in Contract Performance Security (CPS), Online Document Transmittal System, Online Bid Opening, switch over to NIC e-tendering portal, Vendor Grievance Portal, Vendor Feedback system etc. This booklet provides the detailed information on all these initiatives in practice at GAIL in easy language.

GAIL as an organization remains committed to adopt the best contract & procurement practices in the industry and promote the highest degree of Transparency, Fairness, Ethics and Integrity. It is our aim that we make our processes conducive for our stakeholders to have hassle-free experience with tendering process.

We look forward to your feedback and suggestions to have a continual improvement in our contract & procurement system & procedures.

Jai Hind!

Date: 02/11/2022
Place: New Delhi


(Deepak Gupta)

संदीप सरकार
Sandeep Sarkar



GAIL (India) Limited

मुख्य सतर्कता अधिकारी
Chief Vigilance Officer



MESSAGE

It gives me great pleasure to learn that the Business Partners Interactive Meet is being organized as a part of the observance of the Vigilance Awareness Week this year.

Every year we observe the Vigilance Awareness Week to make the general public and our internal / external stakeholders, aware of the ill effects of corruption. This year we observe this Week around the theme of **“Corruption Free India for a Developed Nation”**. It is a very apt one as it underlines the importance of adopting probity and integrity in our personal and professional lives to the development of our Nation. It is only when the individual citizen becomes vigilant, adopts ethical behaviour and starts opposing corruption that a change at the national level can happen.

GAIL (India) Ltd has been a pioneer in adopting initiatives for promoting good governance in business operations. Care has been taken to ensure that while such practices bring efficiency to our business processes and promote ease of doing business, they also remain transparent and participatory.

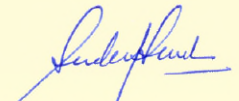
The Vigilance Awareness Week is an opportunity for organizations like GAIL to spread awareness about the adverse impact of corruption and to encourage transparent practices and ethical behavior, not only amongst its employees but also among its various stakeholders including business partners.

In GAIL, we consider our vendors as not merely suppliers but rather as our Business Partners. Accordingly, we seek to make them our partners in our efforts towards promoting a corruption free and an ethical working environment. The Business Interactive Meet provides us with a platform for this task. It also provides a forum to our Business Partners to interact with the Management of GAIL and share their valuable feedback / suggestions.

I welcome you to this Business Partners Interactive Meet and solicit your cooperation in conducting our businesses in a professional, efficient and transparent manner, in encouraging ethical behavior and working constructively to make our Nation Corruption free.

Jai Hind!

Date: 02/11/2022
Place: New Delhi


(Sandeep Sarkar)

के. आर. एम. राव
K.R.M. RAO



GAIL (India) Limited

कार्यकारी निदेशक (सी.एंड.पी.)
Executive Director



MESSAGE

The theme for this year's Vigilance Awareness Week is **"Corruption Free India for a developed Nation"** which highlights the importance of a Corruption Free Environment for a nation to be a developed one. Corruption Free India is the vision of Govt. of India to give a boost to Integrity and allows the country to grow and prosper.

GAIL has taken various initiatives in order to enhance the transparency and to promote ease of doing business. Online Document Transmittal System, Adoption of NIC Portal for E-tender, intense utilization of GeM Portal, Electronic Submission of Form-10F (in case of Foreign Bidders), etc are some of the examples of such initiatives.

It has always been the endeavor of GAIL to be proactive and maintain the highest level of Integrity during the tendering process. Accordingly, GAIL has implemented Integrity Pact Program in 2007 and Integrity pact is being included in tenders.

It is noteworthy to mention that during the FY 2021-22, procurement worth Rs. 8961 Crores was carried out by GAIL. With this increasing quantum of Business transactions the role of our supplier / service providers is increasing with every passing year. We as an organization always value our association with our suppliers / service providers, therefore, to give credits to one of our biggest Business Partners of the organization, this meet is organized to value our association.

During this **Business Partner Interactive Meet-2022**, I invite you to share your experiences dealing with GAIL which shall be beneficial for us to pave our way to relook at our process for mutual benefit.

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

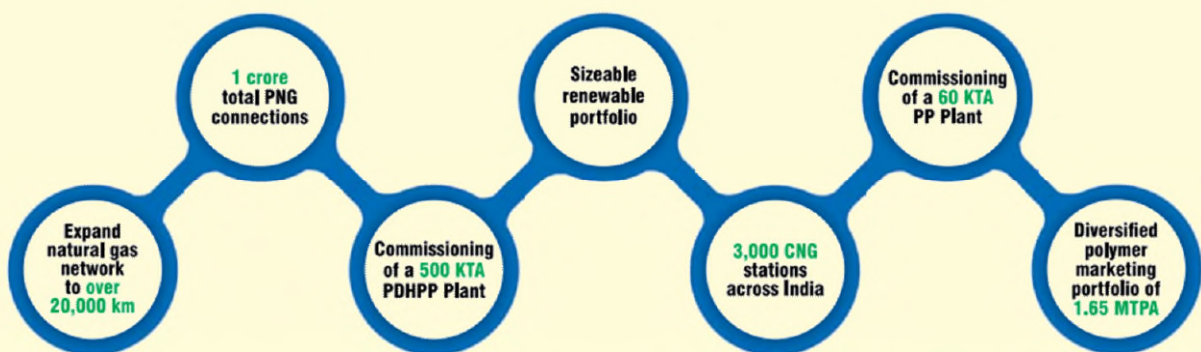
Date: 02/11/2022
Place: New Delhi


(K.R.M. Rao)

CORPORATE OVERVIEW



Target 2025*



MISSION

Enhancing quality
of life through
clean energy and
beyond



VISION

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

GAIL's JOURNEY

2015

- Construction work of Jagdishpur-Haldia-Bokaro-Dhamra Pipeline project launched
- Doubled petrochemical production capacity at Pata

2016

- Brahmaputra Cracker & Polymer Ltd, Petrochemical Complex dedicated to the Nation

2017

- Bengaluru CGD project inaugurated
- CNG stations Inaugurated in Bhubaneswar
- PNG and CNG supply launched in Bhubaneswar



1984

Birth of GAIL :
Natural Gas
transmission &
marketing Company

1987

India's first natural gas
pipeline-HVJ commissioned

1999

First Petrochemical
Plant at Pata

2018

- Launch of commencement of work of Talcher Fertilizers Limited (TFL)
- Varanasi CGD project inaugurated
- India's first LNG cargo from USA received in GAIL's first charter hired vessel
- First LNG cargo under long term contract with Russia received
- CNG Stations inaugurated in Cuttack



2019

- Jamshedpur CGD project inaugurated
- Ranchi CGD project inaugurated
- Patna CGD project inaugurated
- Phase 1 of 'Pradhan Mantri Urja Ganga' Dedicated to the Nation
- Konkan LNG Limited set up



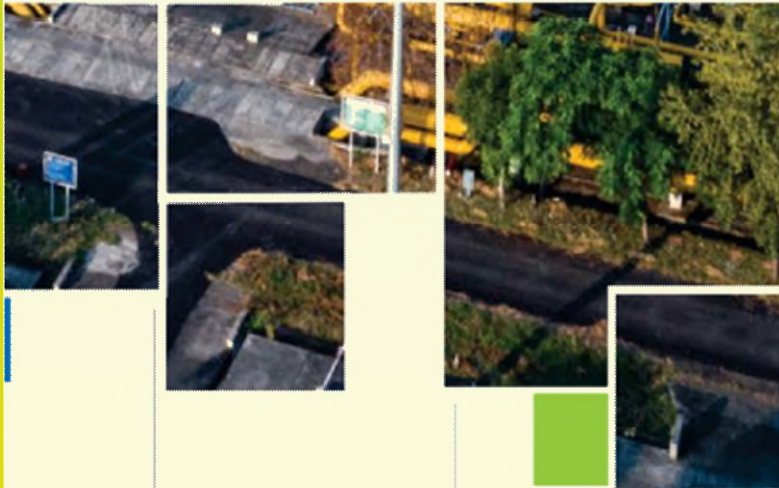
2021

- Kochi-Mangaluru Natural Gas Pipeline dedicated to the Nation
- Dobhi-Durgapur Natural Gas Pipeline Dedicated to the Nation



2022

- Dedication of CNG boats at Varanasi
- Bokaro-Angul Natural Gas Pipeline dedicated to the Nation



2001

JLPL LPG transmission pipeline commissioned

2011

- First PSU to acquire shale gas acreage in US
- Subsidiary in US

2012

- 2,200 km Dahej-Vijaipur-Dadri-Nangal-Bhatinda pipeline network dedicated to the Nation

2013

- Achieved Maharatna Status
- Commissioned Dabhol LNG Terminal & Dabhol-Bengaluru Natural Gas Pipeline dedicated to the Nation
- Capacity Booking in Cove Point LNG Terminal in US



Operates
74%
of the total Natural Gas
transmission
pipelines in India



Produces every
33rd LPG
cylinder sold in India



Operating around
50%
of India's CNG stations
(CGD JVs/GAIL Gas)



Contributing To Nation's Progress

Contributes more than
50%
of the Natural Gas (NG)
sold in India



AWARDS AND RECOGNITION IN FY 2021-22

GAIL was awarded Special Award for Urja Gas Pipeline & Associated CGD Networks by FIPI

GAIL awarded for making highest procurement among CPSEs through GeM portal

GAIL was awarded Gold Shield in Financial Reporting in ICAI Awards

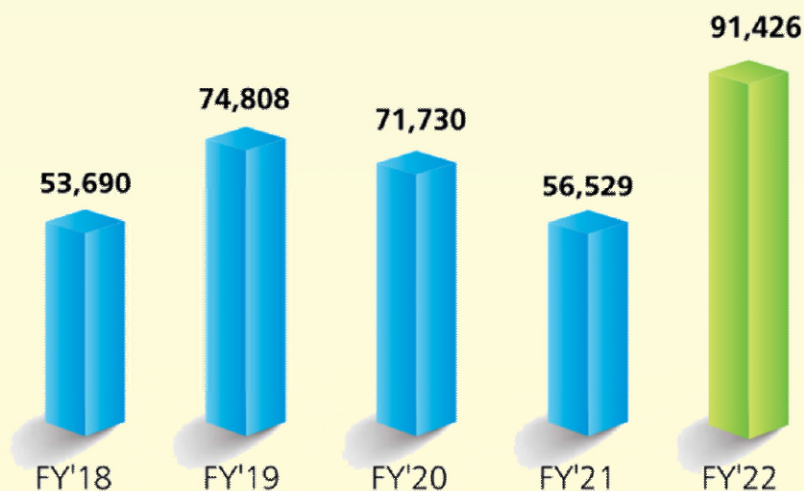
GAIL's two campaigns "Interdependence" and "Hawa Badle Hassu" won Silver and Bronze in Goafest 2022 ABBY One Show Awards

GAIL won the award for Most Innovative Booth Design at Gastech exhibition, Dubai

Achieved the Sub Target of 3% procurement from MSEs Owned by Women Entrepreneurs

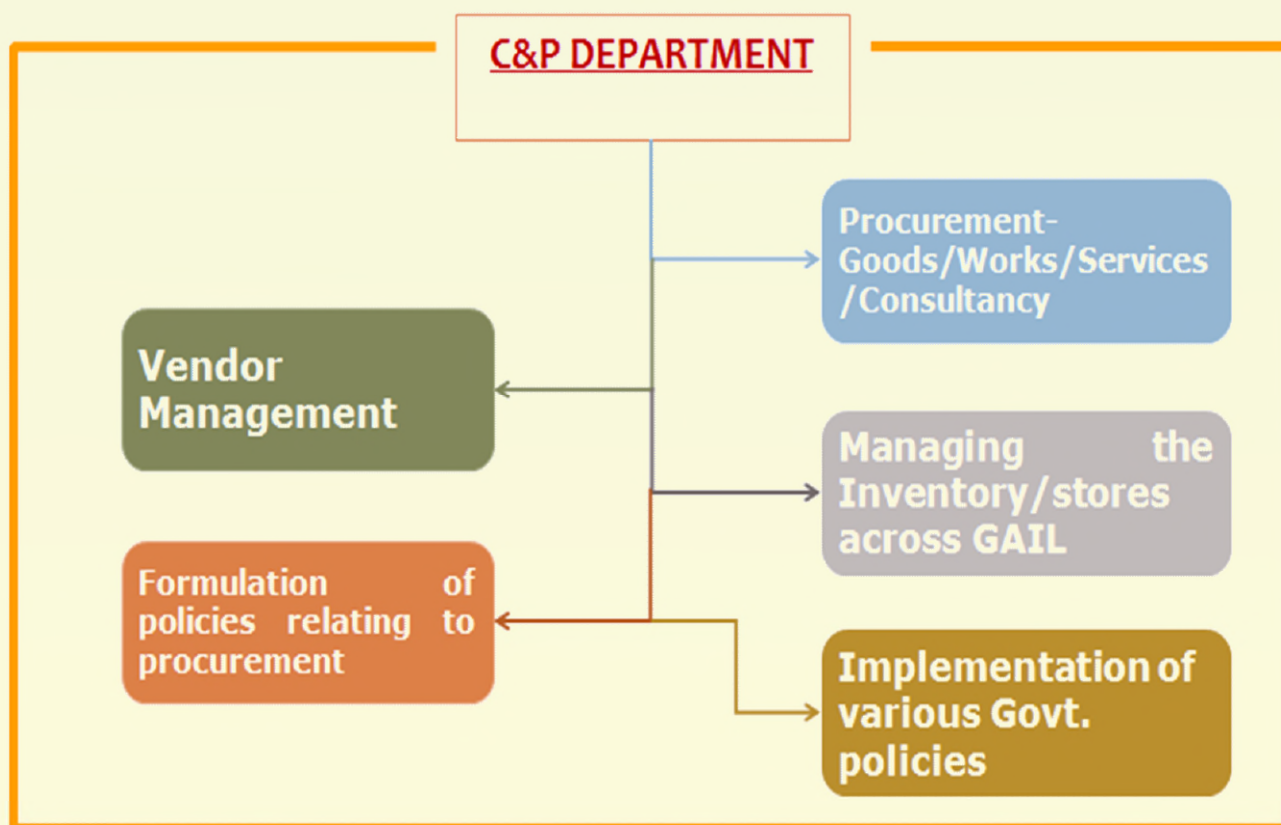
KEY FINANCIAL HIGHLIGHTS - STANDALONE

Gross Sales (₹ in crore)



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	12	Khera, MP	23	Usar, Maharashtra
2	Pata, UP	13	Kochi, Kerala	24	NCR, Noida, UP
3	Bengaluru, Karnataka	14	Ranchi, Jharkhand	25	GTI, Noida, UP
4	Vizag, Andhra Pradesh	15	Vijaipur, MP		
5	Dibiyapur, UP	16	Mumbai, Maharashtra		
6	Gandhar, Gujarat	17	Nasirabad, Rajasthan		
7	Noida, UP	18	Vaghodia, Gujarat		
8	Hazira, Gujarat	19	Vadodara, Gujarat		
9	Jaipur, Rajasthan	20	Karaikal, Tamil Nadu		
10	Jamnagar, Gujarat	21	Rajahmundry, Andhra Pradesh		
11	Jhabua, MP	22	Bhubaneswar, Orissa		

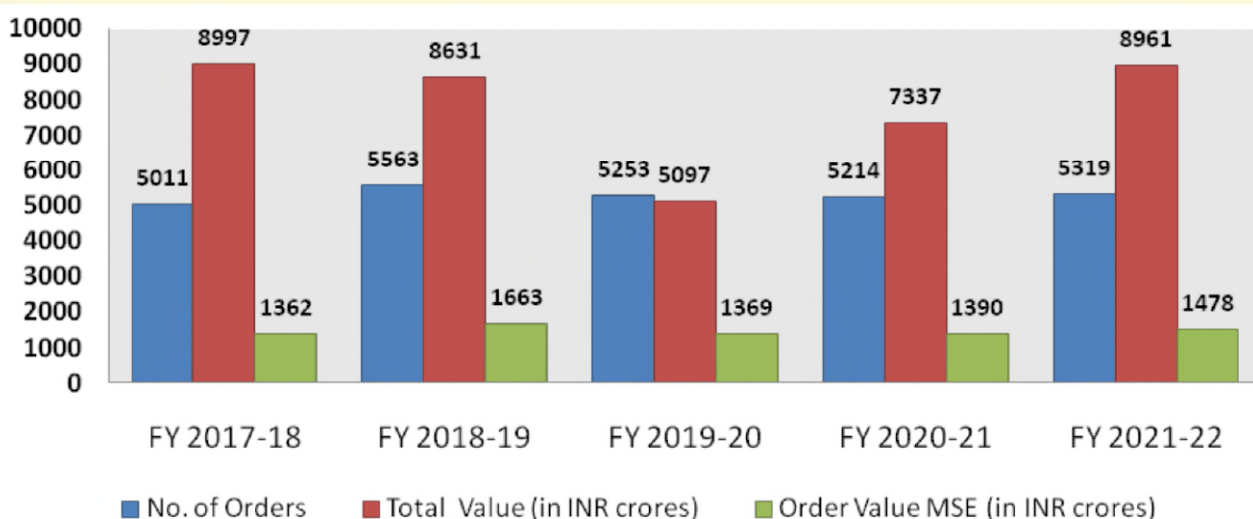
2. Objective of C&P Department

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. Like the previous year, this year was also a difficult year as the country was hit by the second wave of Covid-19. GAIL was severely affected due to the Pandemic situation. Various new initiatives were undertaken in tendering/ contracting for ease of bidders during this pandemic. GAIL was able to place orders/ contracts valuing Rs. 8961 Crs. despite various hardship due to second wave of COVID-19 without any disputes. The details of Orders placed by C&P department of GAIL in last five years are as under:-



GeM Procurement:

GAIL has made highest ever procurement of Rs. 2593 Crores in FY 2021-22 through GeM Portal which is 151% more than the last FY figures.

Procurement from MSEs

The total procurement made from MSEs in FY 2021-22 was INR 1478 Crores which is approx. 40.06% of total eligible procurement. Further, 16 Vendor Development Programs (including four Special Vendor Development Program for SC/ST and Women Entrepreneurs) were conducted at GAIL's various work centers.

Further, the sub-target of 3% procurement from MSEs owned by Women Entrepreneurs was also achieved and procurement from MSEs owned by SC/ST Entrepreneurs increased in FY 2021-22 to 1.4% from 0.11%.

5. 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

6. 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

7. 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

8. Tendering and Contracting involves three stages
 - a) Pre- Award Stage
 - b) Post Award (Execution of contract)
 - c) Closure of Contract





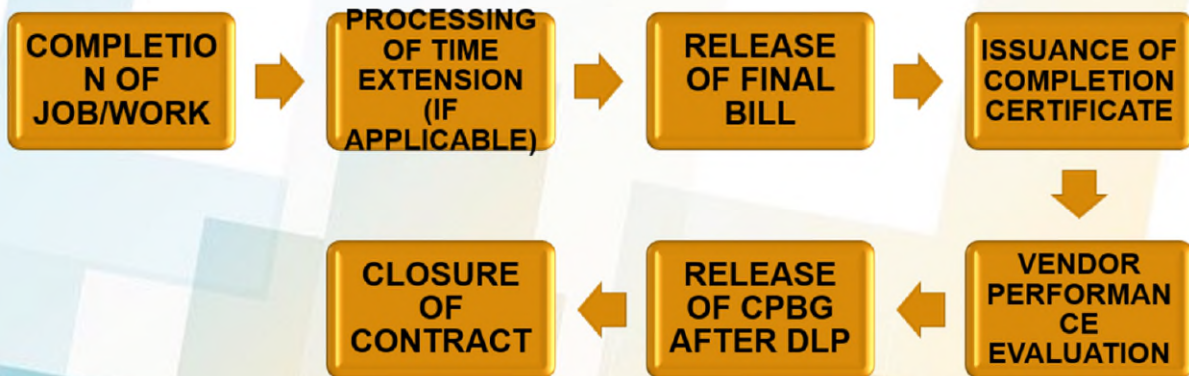
POST-AWARD



7



CLOSURE



8

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, 2021, the proforma of Integrity Pact was comprehensively reviewed based on the proforma circulated by Department of Public Enterprises / CVC, inputs received from IEMs and that which are 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 Counter-parties.
- 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:-

- i) Shri Ajit Mohan Sharan ([email id :ams057@gmail.com](mailto:ams057@gmail.com))
- ii) Shri Sanjeev Behari ([email id :saloni_behari@yahoo.co.in](mailto:saloni_behari@yahoo.co.in))
- iii) Shri Deepak Kashyap, ([email id :deepakkashyapnd02@gmail.com](mailto:deepakkashyapnd02@gmail.com))

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

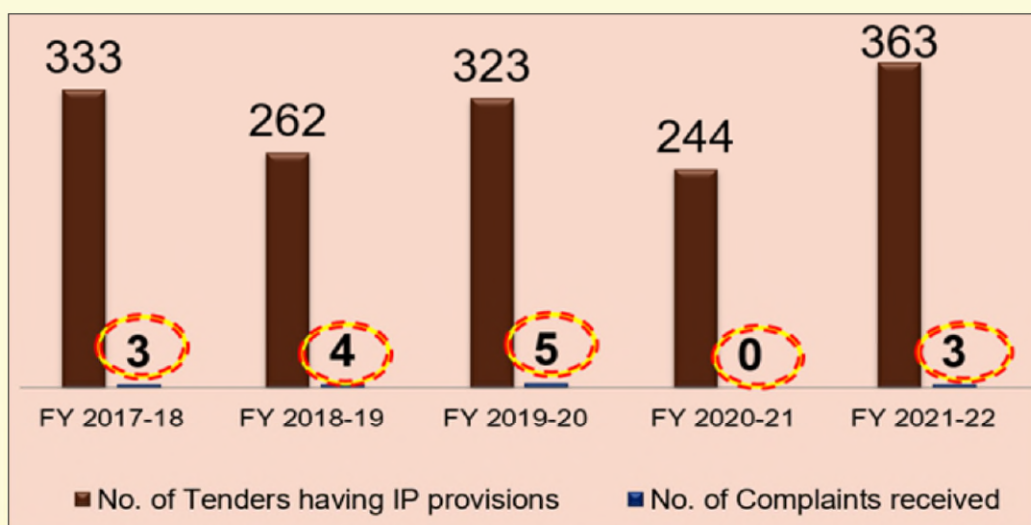
1. The Principal appoints competent and credible Independent External Monitor for this Pact after approval by Central Vigilance Commission. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.
2. The Monitor is not subject to instructions by the representatives of the parties and performs his/her functions neutrally and independently. The Monitor would have access to all documents/records pertaining to the contract for which a complaint or issue is raised before them, as and when warranted. However, the documents/records/information having National Security implications and those documents which have been classified as Secret/Top Secret are not to be disclosed. It will be obligatory for him/ her to treat the information and documents of the Bidders/ Contractors as confidential. He/she reports to the C&MD, GAIL.
3. The Bidder (s)/ Contractor (s) 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/her request and demonstration of a valid interest, unrestricted and unconditional access to their project documentation. The same is applicable to Sub-contractors.
4. The Principal will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the Principal and the Contractor. The parties offer to the Monitor the option to participate in such meetings.
5. As soon as the Monitor notices, or believes to notice, a violation of this agreement, he/she will so inform the Management of the Principal and request the Management to discontinue or to take corrective action, 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.
6. The Monitor will submit a written report to the C&MD, GAIL within 30 days from the date of reference or intimation to him by the 'Principal' and, should the occasion arise, submit proposals for correcting problematic situations.
7. If the Monitor has reported to the C&MD, GAIL, a substantiated suspicion of an offence under relevant IPC/PC Act, and the C&MD, GAIL has not, within reasonable time, taken visible action to proceed against such offence or reported it to the Chief Vigilance Officer, then only in case of very serious issue having a specific, verifiable Vigilance angle, the matter should be reported directly to the Central Vigilance Commission.
8. The word 'Monitor' would include both singular and plural.

9. 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.
10. After award of contract, the IEMs shall look into any issue relating to execution of contract, if specifically raised before them. As an illustrative example, if a contractor who has been awarded the contract, during the execution of contract, raises issue of delayed payment etc. before the IEMs, the same shall be examined by the panel of IEMs.

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

Sl. No.	Period	Total Order Value (Rs. In Cr.)	Value of Orders with IP (Rs. in Cr.)	Total No. of Orders	No. of orders with IP
1.	01.04.2017 to 31.03.2018	9007	7012	4027	409
2.	01.04.2018 to 31.03.2019	8631	6265	5563	393
3.	01.04.2019 to 31.03.2020	5097	3535	5403	385
4.	01.04.2020 to 31.03.2021	7337	4133	5214	328
5.	01.04.2021 to 31.03.2022	8961	5686	5319	447

(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 FOR EASE OF DOING BUSINESS AND REDUCING COMPLIANCE BURDEN

LAUNCH OF THIRD EDITION OF CONTRACTS AND PROCUREMENT PROCEDURE

The GAIL's C&P Procedure has been reviewed in order to align with the Manuals circulated by Department of Expenditure(DoE).

The revised procedure has been aligned with new manuals issued by DoE. Vigilance Commissioner Shri P K Srivastava launched the third edition of GAIL C&P Procedure during Vigilance Awareness week-2022 in presence of GAIL Management on 31.10.2022.

GAIL has become the First PSU to publish the Revised Procedure aligned with the DoE's Manual



INITIATIVES TOWARDS ATMANIRBAR BHARAT

GAIL has adopted various measures as a part of Atma-Nirbhar Bharat (Self Reliant India) to promote the participation of the local domestic bidders. Some of the measures are highlighted as below:

- **No ICB tenders below Rs 200 Crores**

Tenders on International Competitive Bidding (ICB) basis not invited for tenders up to Rs. 200 Crores (except OEM / Proprietary/Emergency cases). In exceptional cases where there are special reasons for inviting International Competitive Bidding (ICB) tender upto Rs. 200 Crores, prior approval of competent authority is obtained while recording detailed justification for resorting to ICB Tender. Secretary (Coordination), Cabinet Secretariat shall be the Competent Authority to accord the approval for processing tenders on ICB basis upto Rs. 200 Crores in exceptional cases mentioned above.

- **Restriction on Procurement from countries sharing Land Boarder 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.

The above will not apply to bidders from those countries to which the Government of India has extended lines of credit or in which the Government of India is engaged in development projects

- **GAIL associated in development of Lakshya Bharat Portal for “MAKE IN INDIA OPPORTUNITIES IN OIL & GAS SECTOR”**

MoP&NG has constituted a technical group consisting of representative (s) of EIL, ONGC, IOCL, GAIL, BPCL, HPCL & OIL for development of Make in India- Exhaustive portal.

GAIL Actively Participated in development of “Make in India - Exhaustive portal” which was further named **Lakshya Bharat Portal**. This is covering the opportunities in Oil & Gas sector for Indian Manufacturers & Foreign Manufacturers interested in setting up manufacturing base in India.

- **Implementation of Purchase Preference Policy**

Various purchase preference policies have been implemented in GAIL in order to promote the local vendors:

- a) Public Procurement Policy 2021 for MSEs
- b) Purchase Preference Policy for Make in India (PPP-MII)
- c) Policy to provide Purchase Preference to Domestically Manufactured Electronic Products in Furtherance to Public Procurement Policy (Preference To Make In India), Order 2017
- d) Policy to Provide Purchase Preference to Domestically Manufactured Products of Petroleum and Natural Gas Sector in Furtherance to Public Procurement Policy (Preference To Make In India), Order 2017
- e) Policy for Preference to Domestically Manufactured Products, Services or works Relating to Telecom in Furtherance to Public Procurement Policy (Preference to Make In India), Order 2017
- f) Policy for Providing Preference to Domestically Manufactured Iron & Steel Products

- **Uploading of Annual Procurement Plan for next five years**

GAIL regularly upload the Annual Procurement Plan for MSEs on its GAIL tender website. In addition to above, Procurement plan for next five years has been uploaded on the GAIL's website to help domestic manufacturers to set up production. Details of link has been shared with all domestic vendors.

- **Qualification of Indian Bidder Based on Experience of Foreign Supporting Company**

In order to boost Make in India & Atmanirbar Bharat and enhance the participation by Indian bidders, policy has been introduced in GAIL to consider qualification of Indian bidders based on experience of foreign supporting bidders.

- **INDEG Group constituted for development of Import substitution**

INDEG Groups at Apex level and Site level have been constituted in GAIL. Meetings of Apex level and Site level committee are being held regularly.

The objective of INDEG Groups is to take initiative to develop indigenous source of materials/ services, import substitution and reserving materials/ services to be supplied by domestic vendors only.

- **Modification on Provisions Relating to Contract Performance Security (CPS) by Vendor/Contractor**

Contract Performance Security (CPS) to be submitted against order/ contract has been reduced to 3% from existing 10%.

OTHER INITIATIVES

- (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. 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) INSTRUMENTS OF SECURITY DEPOSIT/CONTRACT PERFORMANCE GUARANTEE AND EMD:

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.

Further new instruments; Fixed Deposit Receipt and Insurance Security Bond have been introduced

(v) 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.

(vi) 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.

(vii) 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.

(viii) MEASURES TAKEN IN WORKS 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 75% 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.

(ix) 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

(x) 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).

(xi) 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.

(xii) 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.

(xiii) 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.

(xiv) 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.

(xv) 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 36 OEMs.

(xvi) 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.

Further, the maximum duration of Yellow Card (Watchlist), Red Card (Holiday) and Banning has been reduced 2 years.

(xvii) 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.

(xviii) 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 25 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.

(xix) 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 more than 60 such EIC coaching program have been held which were attended by more than 1500 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.

INNOVATIONS IN TENDERING/ PROCUREMENT

1. 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.

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.

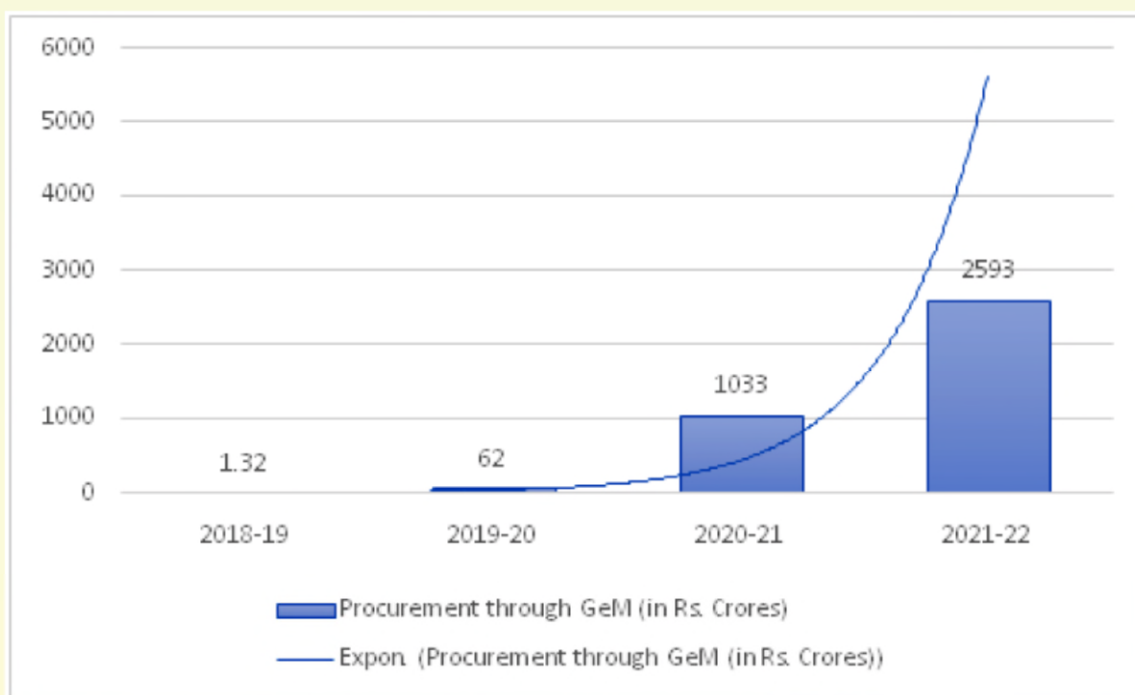
GAIL has implemented the Policy for Procurement of Goods / Works/ Services from Government e-Marketplace (GeM). GAIL is continuously making the best efforts to maximize the procurement from the GeM Portal as detailed below:

- GAIL’s policy has been aligned with GeM policy/ procedure. A detailed policy for procurement of items/ services through GeM prepared and being updated from time to time.
- White Paper on GeM procurement has been issued in GAIL which includes process of continuous on boarding of vendors and goods & services available on GeM portal.
- Dedicated task force has been constituted to work in close association with GeM team to enhance and maximize our majority procurement through GeM and to coordinate with respective departments/ work of centers of GAIL to provide details relating to Creation of new categories, Modification in existing categories, Creation of Organizational specific Additional Terms and Condition, Vendors onboarding on GeM and other issues/details sought by GeM from time to time.

- 9th day of every month is celebrated as the GEM DAY by each work-center where users i.e. buyers / sellers of GAIL are invited. Buyers are sensitized regarding the new functionalities available on GeM. Sellers are encouraged to register themselves on the GeM Portal.
- Specifications/ scope of work of more than 4000 items / services have been sent to GeM for on boarding.

The trend of total value of procurement done through GeM Portal during last three years are as under:

Financial Year	Procurement Value (in Rs. Crores)
2018-19	1.32
2019-20	62
2020-21	1033
2021-22	2593



2. 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.

Provision regarding TReDS is being incorporated in all tenders of GAIL. Till date GAIL has discounted bills worth Rs 623.62 Lacs through TReDS portal.

3. 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. TUV Rheinland (India) Pvt. Ltd.
7. TÜV SÜD South Asia Pvt. Ltd.
8. TUV 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.

4. PAYMENT TERMS:

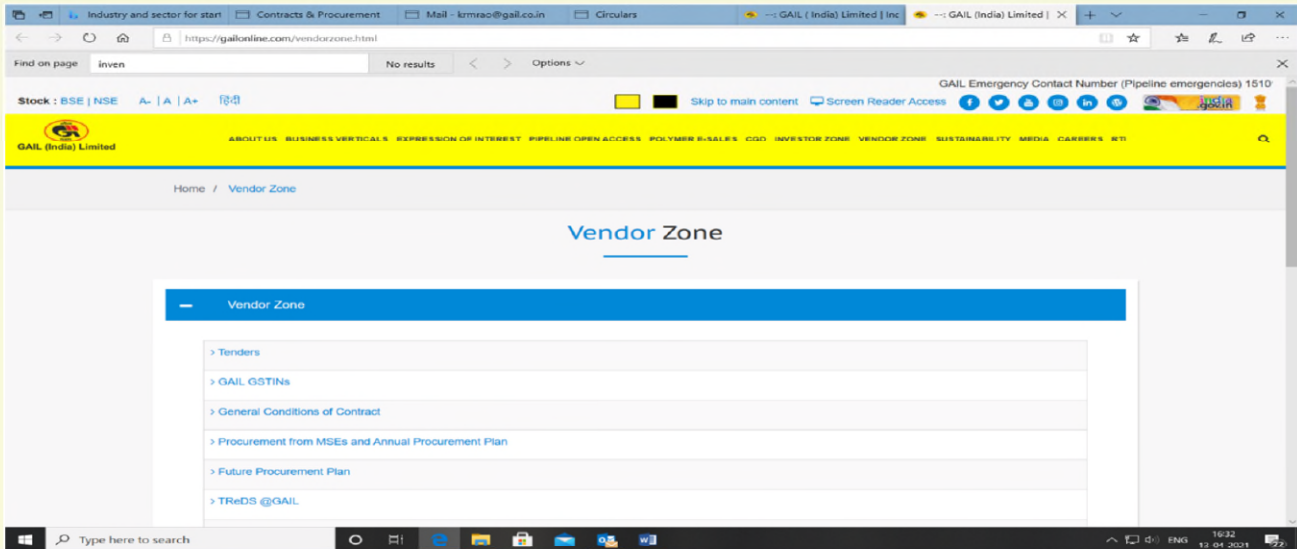
In GAIL the payment to the vendors / contractors are done as per the terms and conditions of the contract. However, some of the salient features of the payment system in GAIL are as follows:

- 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.
- g) Plant, Machinery and Shuttering Material Advance (Applicable in Work Contracts):
- h) Secured Advance against material brought at site (Applicable in Work Contracts):

DIGITAL INITIATIVES IN TENDERING/PROCUREMENT

1. VENDOR ZONE ON GAIL'S WEBSITE

In order to bring all the information relating to Supplier/ Vendor/ Contractor/ Service Provider at one place and ease of access of information by stakeholders, a dedicated Vendor ZONE was developed on GAIL's website.



2. 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.

GAIL has also shifted its e-tender activities to NIC portal which is more user friendly and well known platform.

3. 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.

4. 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.

5. 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.

6. 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.

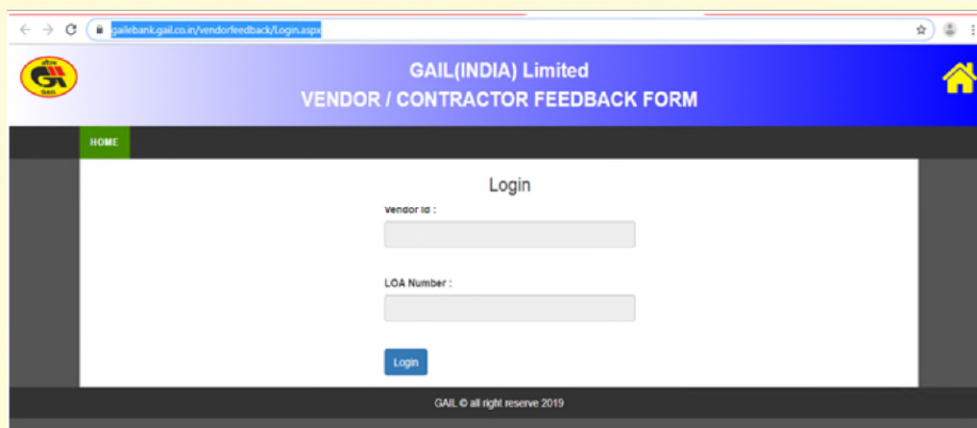
7. ONLINE VENDOR FEEDBACK MECHANISM:

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.

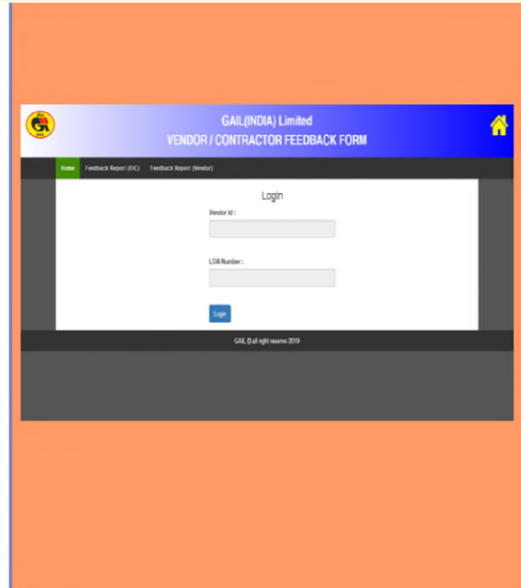
All vendors / contractors are requested to provide the feedback on the link given below:
<https://gailebank.gail.co.in/vendorfeedback/Login.aspx>



The screenshot shows a web browser window displaying the login page for the GAIL (INDIA) Limited Vendor / Contractor Feedback Form. The page has a blue header with the GAIL logo on the left and a home icon on the right. Below the header, there is a navigation bar with a 'HOME' button. The main content area is white and contains a 'Login' section with two input fields: 'Vendor id :' and 'LOA Number :'. Below these fields is a blue 'Login' button. At the bottom of the page, there is a small copyright notice: 'GAIL © all right reserve 2019'.

Feedback taken on:

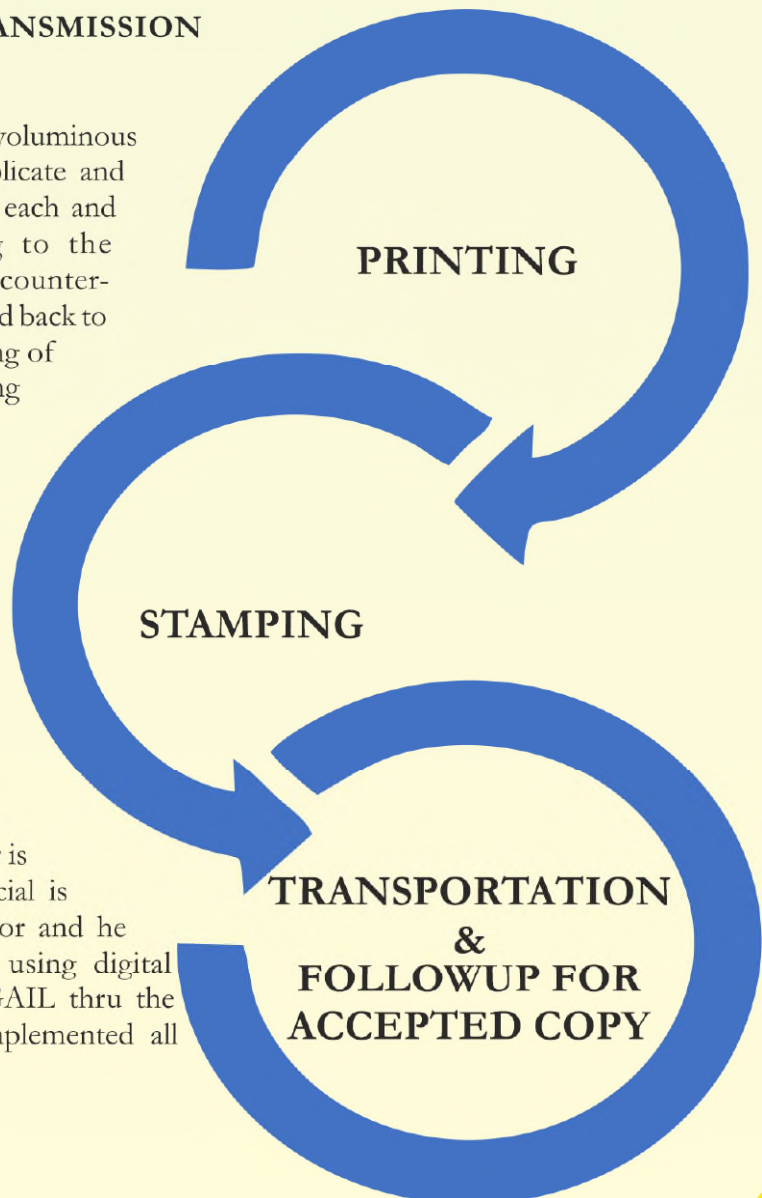
- ▶ Tendering
- ▶ Execution
- ▶ Payment
- ▶ Closure of Contract
- ▶ Miscellaneous
- ▶ Overall experience in doing business with GAIL
- ▶ Suggestions if any

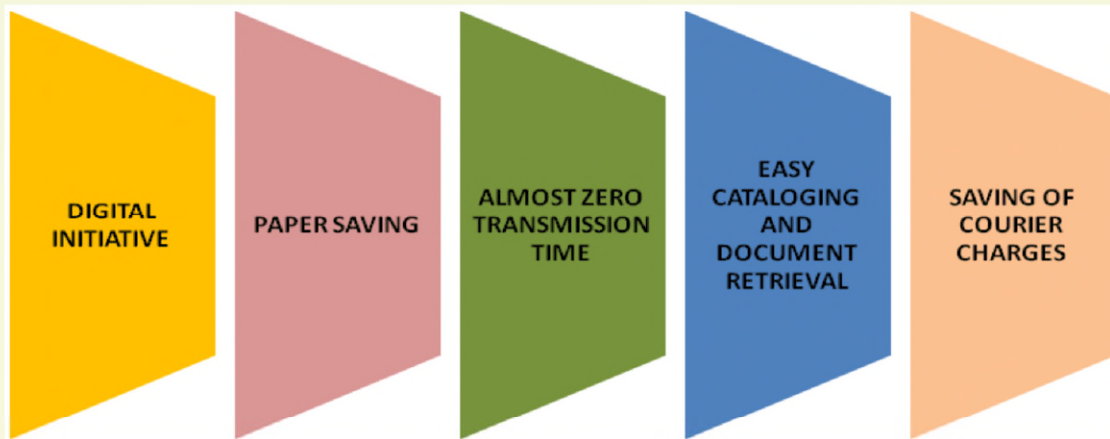


8. ONLINE DOCUMENT TRANSMISSION SYSTEM:

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 in turn counter-signed the order using digital signatures and forward back to GAIL thru the system. This system has been implemented all across GAIL.





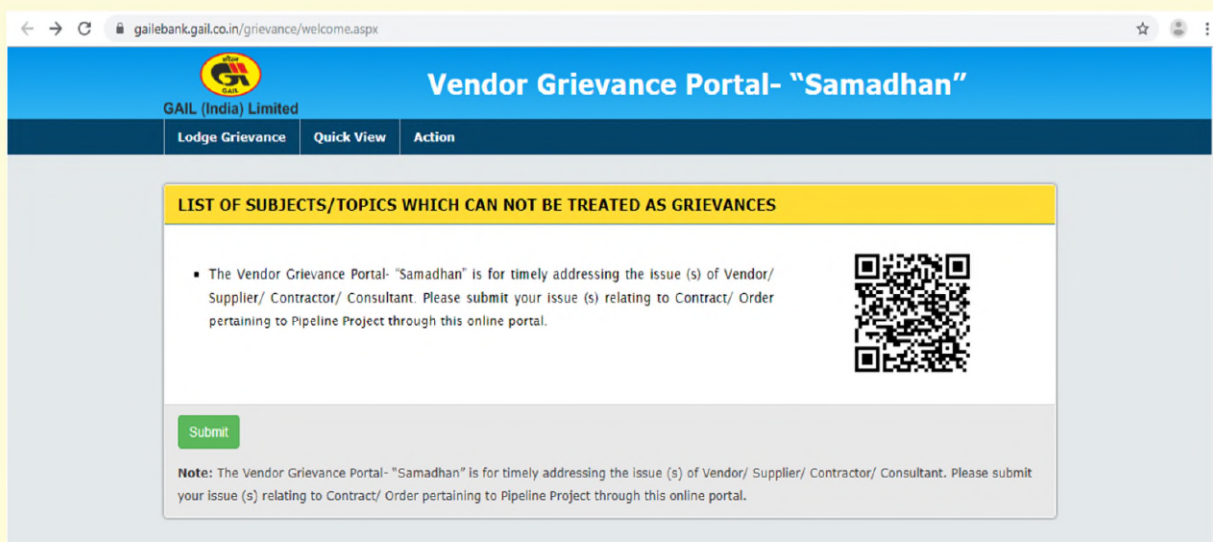
9. ONLINE VENDOR GRIEVANCE PORTAL-‘SAMADHAN’

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>



10. 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.

11. 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.

12. SPECIAL MENTION

(i) PROCUREMENT FROM MSEs

- Public Procurement Policy (PPP) for Micro and Small Enterprises (MSE) Order 2012, which is notified under MSMED Act 2006, implemented in GAIL in the year 2012. Any modification to the policy is also implemented from time to time.
- The following benefits are being provided to MSEs participating in GAIL:
 - Issue of Tender Documents to MSEs free of cost.
 - Exemption to MSEs from payment of EMD/Bid Security.
 - Purchase preference of 15% to MSEs
 - Reservation of items for procurement from only MSE vendors.
- GAIL has set an annual target for 25% (revised in 2018 from earlier specified 20%) procurement from MSE Sector out of this 4% and 3% are reserved from MSEs owned by SC/ST entrepreneurs and Women entrepreneurs respectively.

The details of procurement from MSEs during last 3 Financial Years are as under:

Financial Year	Total Eligible Procurement	Total value of Goods & Services procured from MSEs (Including SC/ST & Women Owned entrepreneurs)	Total value of Goods & Services procured from MSEs (owned by SC/ST entrepreneurs)	Total value of Goods & Services procured from MSEs (Owned by Women entrepreneurs)	% of procurement from MSEs (Including SC/ST & Women Owned entrepreneurs)	% of procurement from MSEs owned by SC/ST entrepreneurs	% of procurement from MSEs owned by Women entrepreneurs
2019-20	3548	1367	10.57	10.18	38.53%	0.29%	0.28%
2020-21	4068	1390	4.77	48.64	34.17%	0.11%	1.20%
2021-22	3689	1478	69	111	40.06%	1.90%	3.01%

• **ACTION FOR ENHANCING PARTICIPATION OF MSEs :**

- a) 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
- b) Till date, GAIL has conducted more than 100 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 30 such meets held at Panipat, Guhawati, Indore, Bhopal, Karnal, Jaipur, Vadodara, Mumbai, Agartala etc.
- e) All procurement centres (more than 25 nos.) 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) 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.
- g) 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.
- h) 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.
- i) 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.

(ii) 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) Entrepreneurship Development Programme (EDP):

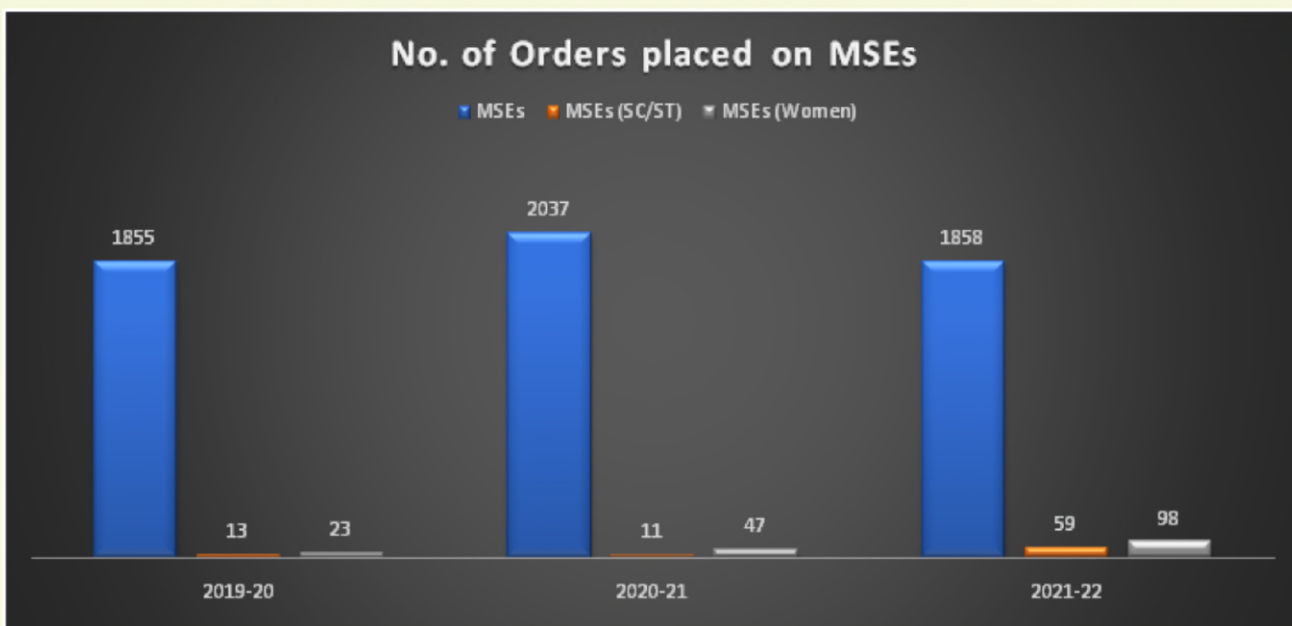
GAIL has organized an Entrepreneurship Development Project (EDP) for developing SC/ST entrepreneurs. The program was inaugurated on 18.07.2022 at GAIL Training Institute, Jaipur. During the program budding entrepreneurs comprehensively exposed to Entrepreneur basics, the business ideas & concept, finalization of business plan and funding process etc. It was a handholding residential program for 15 days where the skills of finance, accounting, marketing, human resource and sourcing etc were taught and SC/ST startups were registered. further various subject experts from GAIL & industry officials had taken multiple sessions on business opportunities and had also motivated the participants. The convocation program was held on 30.07.2022, and certificate of appreciation & participation has been given to each participants.



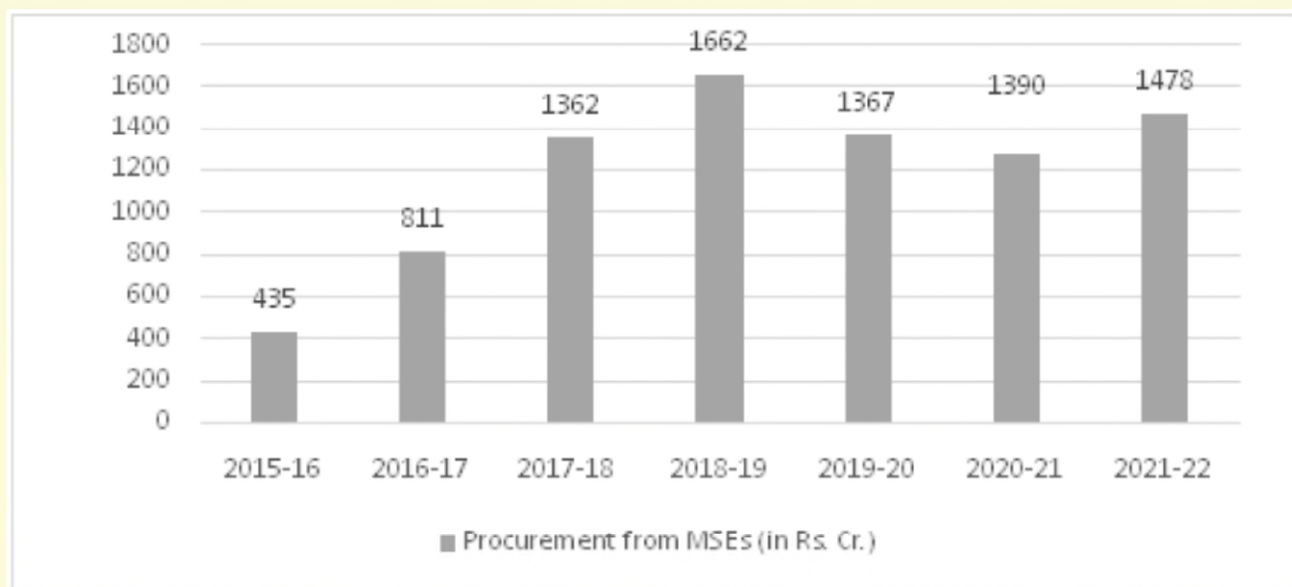


(iii) **TRENDING OF MSE AND SC/ ST PARTICIPATION**

A. No. of orders placed on MSEs, MSEs owned by SC/ST and MSE owned by Women



B. Value of Orders (in Rs. Crores) placed on MSEs



(iv) **PROVISIONS RELATING TO MSEs INCORPORATED IN GAIL's TENDER:**

(a) Provisions as per Public Procurement Policy (PPP) for Micro and Small Enterprises (MSE) Order 2012

In Tender, participating Micro and Small Enterprises quoting price within price band of L1+15% is also to supply a portion of requirement by bringing down their prices to L1 price in a situation where L1 price is from someone other than a micro and small enterprises and such micro and small enterprises is allowed to supply upto 25% of the total tendered value.

Further, out of above 25%, 4% is reserved for MSEs owned by SC/ST entrepreneurs.

Further, 3% is reserved for MSEs owned by women within above 25% reservation.

- (b) Provisions for engaging MSE Sub-Contractors by Main Contractor
If against an order placed by GAIL, successful bidder(s) (other than Micro/Small Enterprise) is procuring material/services from their sub-vendor who is a Micro or Small Enterprise, the details like Name, Registration No., Address, Contact No. details of material & value of procurement made, etc. of such Enterprises are to be furnished by the successful bidder at the time of submission of invoice/Bill.
- (c) Tender provisions for NSIC Consortia and Tender Marketing Scheme
NSIC has initiated a scheme of “Consortia and Tender Marketing Scheme” under which they are assisting the Micro & Small enterprises to market their products and services through tender participation on behalf of the individual unit or through consortia.
Accordingly, if the MSEs or the consortia, on whose behalf the bid is submitted by NSIC, is meeting the BEC and other terms and conditions of tender their bid will be considered for evaluation.
- (d) Provision regarding payment through TReDS
MSME Bidders are requested to kindly register on the TReDS platform. The MSME vendors can avail the TReDS facility, if they want to.
- (e) Relaxation of Prior Experience/ Prior Turnover to Start up MSEs
Prior turnover and prior experience shall not be required for all MSEs Startups] subject to their meeting the quality and technical specifications specified in tender document.

(v) NOTIFICATION REGARDING TENDERS OF GAIL:

Details of benefits provided to MSEs bidders, as per Public Procurement Policy for MSEs 2012 & its amendment, payment through TReDS, Consortia and Tender Marketing Scheme of NSIC, etc., are being mentioned in GAIL’s tenders.

Notification regarding this has been published in national dailies along with local newspapers to widespread it to the larger geographical area, so that maximum nos. of MSE Enterprises can associate themselves with GAIL.

FIRST DIGITAL STORE OF GAIL

ED C&P, Mr. K R M Rao inaugurated GAIL 01st Digital store at DESU Terminal of NCR on auspicious occasion of VISI WAKARMA Pooja in august presence of OIC, NCR Mr. Pawan Sharma on 17.09.2022. All the inventory at above Store is QR (Quick Response) enabled and by scanning through mobile phone, reservation of it can be created and type of inventory can be ascertained. This feature will be of extreme usefulness in remote locations of GAIL where there is no SAP or system availability.



GLIMPSES OF VARIOUS EVENT

ORGANISED BY GAIL

VENDOR MEET / VENDOR DEVELOPMENT PROGRAM

1. BUSINESS PARTNER INTERACTIVE MEET -2021

On behalf of GAIL, Corporate C&P department had organized the 2021 edition of Business Partner Interactive Meet during the Vigilance Awareness Week. The program focused on stakeholder engagement and collaboration for a sustainable growth. The program was chaired by Director (Business Development) Sh. M V Iyer and attended by Ms. Shubha Bhambani, CVO GAIL & Independent External Monitors Dr Meeran Borwankar, ShAjit Sharan and Sh. Sanjeev Behari.

The interactive meet which is celebrated like a festival every year as a tradition this year emphasized the importance of Self Reliance, "Atmanirbhar Bharat" and "Vocal for Local". It was aimed at promotion of the "Azaadi Ka Amrit Mahotsav campaign" of Government of India. The program also showcased the growth of GAIL over the last 04 decades and initiatives implemented in the domain of procurement to promote transparency, integrity & ease of doing business.

GAIL was also presented with the Higher Buyer amongst CPSU for FY 2020-21 by GeM during the meet.





2. VENDOR DEVELOPMENT PROGRAM (VDP)

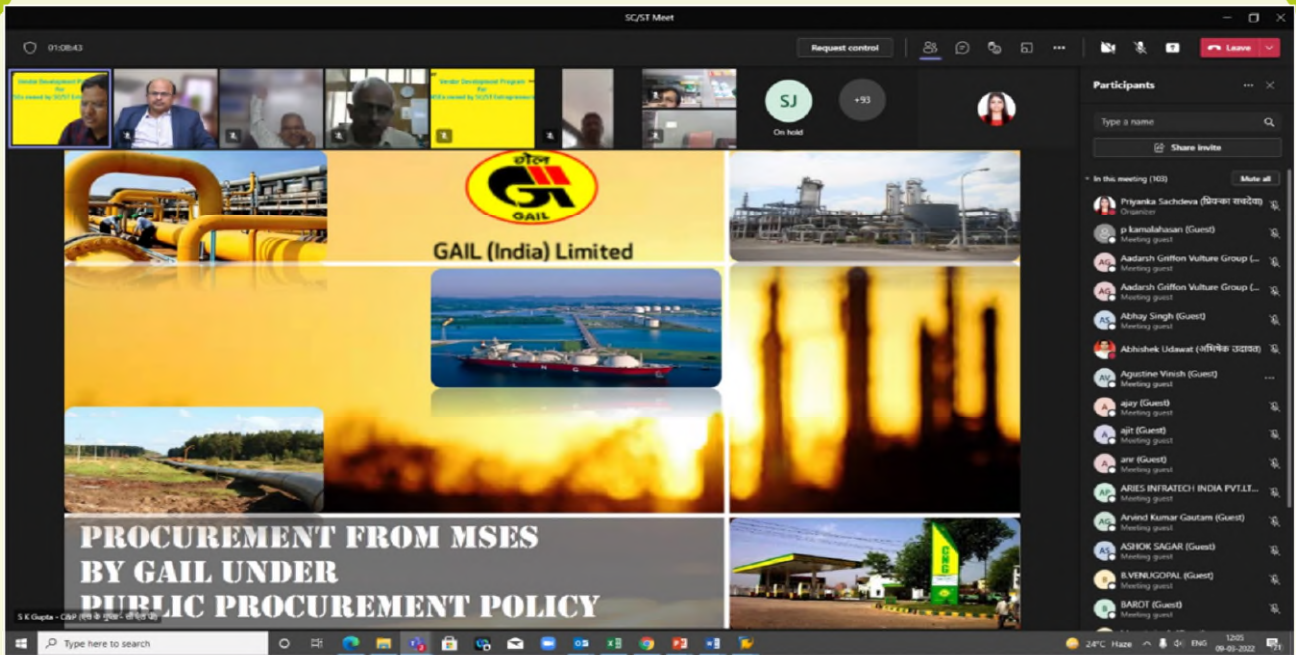
(i) SPECIAL VENDOR DEVELOPMENT PROGRAM FOR MSEs OWNED BY SC/ST

Corporate C&P department in association with National SC/ST Hub had organized virtual Special Vendor Development Program on 09.03.2022

The program focused on stakeholder engagement and collaboration. The program was chaired by Executive Director (C&P), Sh. K R M Rao.

The meet showcased the policies and procedures of GAIL , business opportunities in GAIL, Benefits and achievements towards Procurement from Micro and Small enterprises, Special Schemes for MSEs owned by SC/ST owned, list of materials and services which are generally procured in GAIL etc.



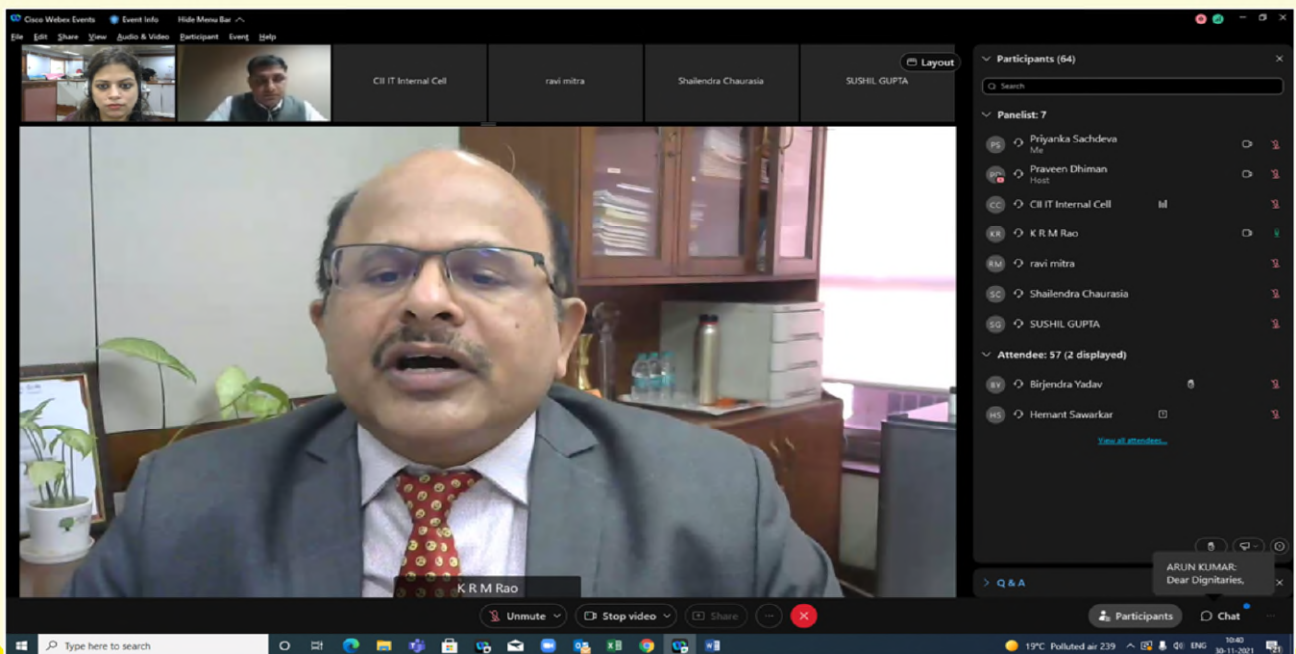


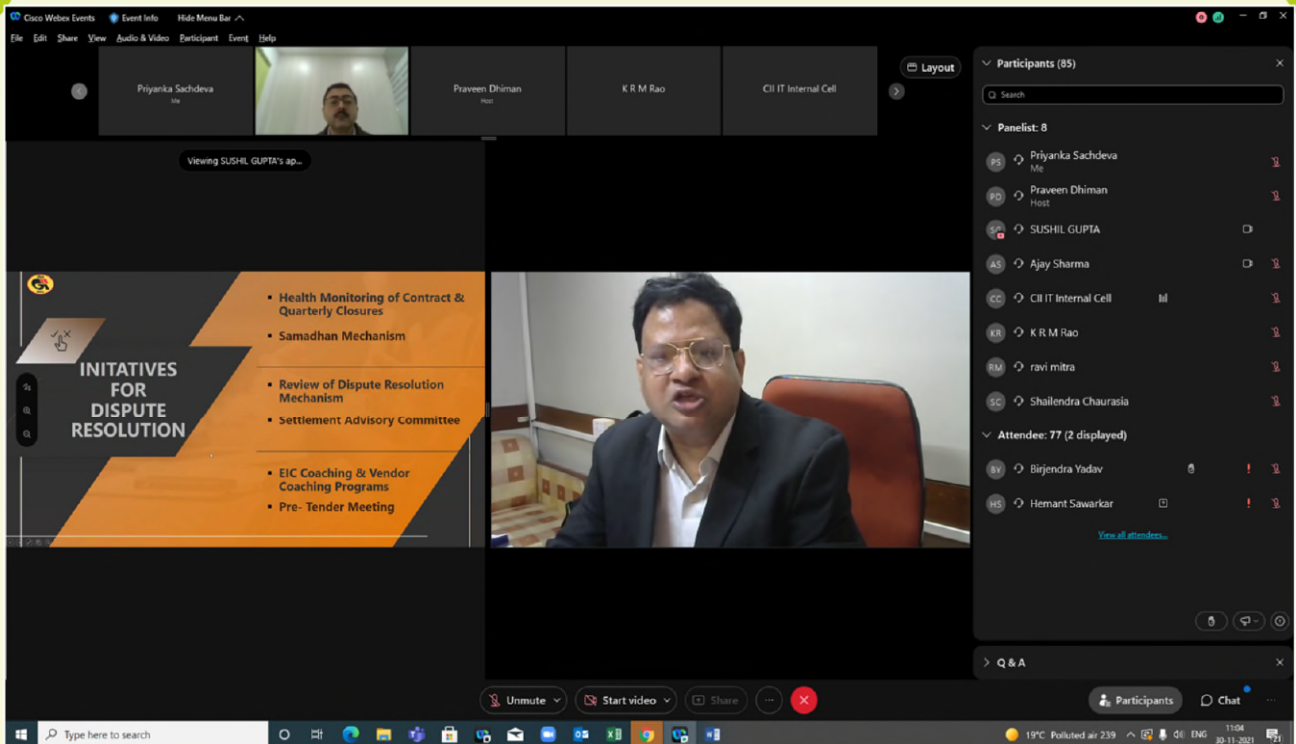
(ii) **VENDOR DEVELOPMENT PROGRAM IN ASSOCIATION WITH CII**

Corporate C&P department in association with CII had organized virtual Session on Vendor Development & Supply Chain Registration Process

The program focused on stakeholder engagement and collaboration. The program was chaired by Executive Director (C&P), Sh. K R M Rao.

The meet showcased the policies and procedures of GAIL , business opportunities in GAIL, Benefits and achievements towards Procurement from Micro and Small enterprises, list of materials and services which are generally procured in GAIL etc. A presentation by TReDS team and NABCB was also given during the meet.





(iii) VENDOR DEVELOPMENT PROGRAM CUM HANDHOLDING SESSION FOR MICRO AND SMALL ENTERPRISES (MSES) CONDUCTED BY KAILARAS COMPRESSOR STATION

The Vendor Development Program cum Handholding Session for Micro and Small Enterprises was held on 25.11.2021 at Hotel Gwalior Regency, Gwalior. The program was chaired by Shri Deolal, General Manager (O&M) & OIC-Kailaras and was attended by Shri Amar Singh, DGM (O&M), Shri Vinod Kumar Xaxa, DGM (O&M) and HoDs of different department.

The program was witnessed by total 52 participants. During the meet, a detailed presentation was given on GAIL's Business Portfolio, GAIL Kailaras Portfolio, Procurement Process in GAIL, business opportunities in GAIL, Benefits and achievements towards Procurement from Micro and Small enterprises, list of materials and services which are generally procured in GAIL etc. A session was also imparted for GeM Portal and TReDS system. It was informed to them to get registered on GeM Portal and TReDS system to get maximum benefits out of it.

The meet was very interactive. MSE participants appreciated the program and their queries were replied/responded by GAIL's representative and they have conveyed that they learnt much about tendering process at GAIL, Govt. guidelines on MSEs, GeM Portal, TReDS system etc. Thereafter, open house discussion was conducted wherein grievances of some of the bidders were also resolved and also some suggestion was received.



(iv) VENDOR DEVELOPMENT PROGRAM CUM HAND HOLDING SESSION WITH MSES WAS CONDUCTED FOR GAIL NCR AND GTI.

The meeting was attended by 40 participants through VC Link and about 30 participants in physical mode. ED O&M – NR chaired the meeting for full duration of about 03 hours along with CGM O&M /OIC, NCR. Presentations were given by GeM official, TReDS official, Corporate C&P, BIS-MM, F&A –NCR and C&P NCR. 04 Vendors of NCR who are MSE and have scored > 90% in performance evaluation in last financial year orders were felicitated by ED O&M -NR.

The salient features of tender (BEC, MSE benefits, Start-up policy, GeM provision and ESS provisions) were explained to participants. Attending participants raised numbers of issues which were answered on spot.



(v) **VENDOR DEVELOPMENT CUM HANDHOLDING SESSION WITH MSEs ORGANIZED AT GAIL BENGALURU**

GAIL, Bengaluru has organized “vendor development cum handholding session with MSEs for effective implementation of Public Procurement Policy in GAIL” on 01.11.2021 for the benefit of vendors associated with GAIL, Bengaluru and Southern Region. More than 35 nos of suppliers and contractors engaged in supply of materials and providing services have participated in the program.

A presentation on important provisions of tender, benefits extended MSE vendors as per Public Procurement Policy and care needs to be taken by vendors while submitting tenders etc.

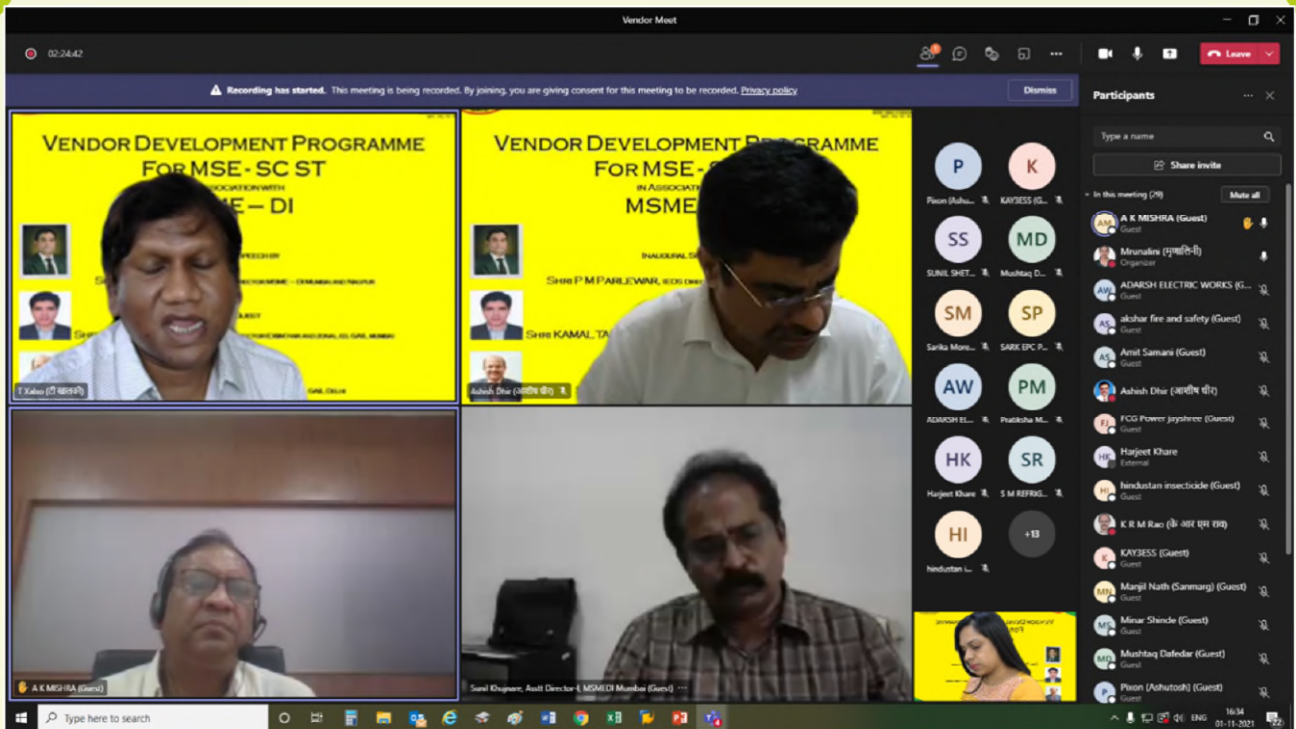
Participants appreciated the GAIL’s initiative, actively interacted during the program by raising queries on TReDS, GeM and various aspects of tendering process including post award issues and made the program a grand success.



(vi) **VENDOR DEVELOPMENT CUM HANDHOLDING SESSION WITH MSEs ORGANIZED AT GAIL MUMBAI**

C&P Department of GAIL Mumbai organized Vendor Development Programme for MSEs in association with MSME-DI, Mumbai on 1st November, 2021 through Video Conferencing. Around 40 vendors participated in the virtual meet. Sh P M Parlewar, IEDS Director MSME DI – Mumbai and Nagpur who is attached to Hon’ble Shri Narayan Rane, Union Minister, Government of India, Ministry of MSME, delivered inaugural speech. He appreciated GAIL’s effort to enhance the benefits of Government of India for MSME vendors in GAIL’s business and thanked GAIL for organizing VDP for MSEs.

A very informative presentation for illuminating policy guidelines and various benefits offered to MSEs was given



(vii) VENDOR DEVELOPMENT PROGRAM FOR MSES AT VIJAIPUR

Vendor Development Program cum Handholding session with MSEs was organised by C&P, Vijaiapur on 30.03.2022 (Wednesday) at Playotel, Guna.

As many as 34 vendors’ representatives participated in the event.

In the Program, Mrs. Anugya Handoo, Assist. Director, MSME-Development Institute, Indore also participated and addressed the participants. She also briefed them about the role of MSME Development Institute and benefits extended to MSEs under PPP-2012. She emphasised for Udyam Registration by all the vendors before 31.03.2022.

Mr. Sanjay Kushwah of Invoicemart explained the participating vendors about the use of TReDS platform.

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 (ANJANI) in GAIL along-with GSTR filing and Labour laws compliance.

The Meet was followed by Question & Answer session (in which lot of doubts raised by the vendors were clarified by MSME DI and GAIL for their entire satisfaction), A Quiz and a sumptuous lunch.



(viii) **VENDOR DEVELOPMENT PROGRAM WITH MSE'S AT GAIL JHABUA**

Jhabua has organized a Vendor Development Program with MSE's on 15.03.2022 at Township at GAIL Jhabua taking all precautionary measures due to Covid.

Different stakeholders from MSMEs, NSICs, TReDS and GeM through Webinars, and officials from SBI, DICCI, Vendors and GAIL as detailed under has participated.

Shri Shashank Shawrikar, General Manager (O&M) & OIC welcomed the stakeholders, In his address OIC has emphasized that all vendors, contractors who are associated with GAIL must ensure execution of the work strictly as per the requirement of tender and requested all vendors, contractors to work meticulously abiding by all contractual guidelines. OIC, Jhabua elaborated the vision of GAIL (India) Limited to achieve the objectives & goals.

Detailed presentation was given by ShVinod Vyas, GM (N.S.I.C) MSME along with Smt. Anugya Handoo, Sr. Statistical Officer, MSME-DI, Indore. Presentation was made regarding various benefits available for MSEs Vendors. They elaborated on notified criteria for classifying the enterprises as Micro, Small and Medium Enterprises. How they can obtain/register for Udyam registration & requested all MSEs Vendors/Contractors to get Udyam Registration. Presentation was also made by Smt. Anugya aHandoo, Sr. Statistical Officer, MSME-DI, Indore. Shri Joe Branch Manager, SBI-Jhabua in his address gathering about finance offered by banks, special schemes, loan facilities for MSE's.

Detailed Presentation was made by Shri Pankaj Kumar, SM [C&P] wherein overview of GAIL, Jhabua Compressor Station, Various benefits available for MSEs vendors in GAIL's tender, Regarding e-tendering process of GAIL, steps for on line registration & obtaining login ID & P/W, basic requirements of tenders & E-Procurement System of NIC-GEPNIC. He has elaborated importance of timely closure of contract and available Bill Watch System.

A brief presentation on Payments Method through Treds Platform was given by Sh. Sanjay Kushwaha, Invoicemart (Treds), Indore and by Sh. Sanjay Kumar Deharia, Facilitator, GeM, has given presentation on GeM through Webinar.





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