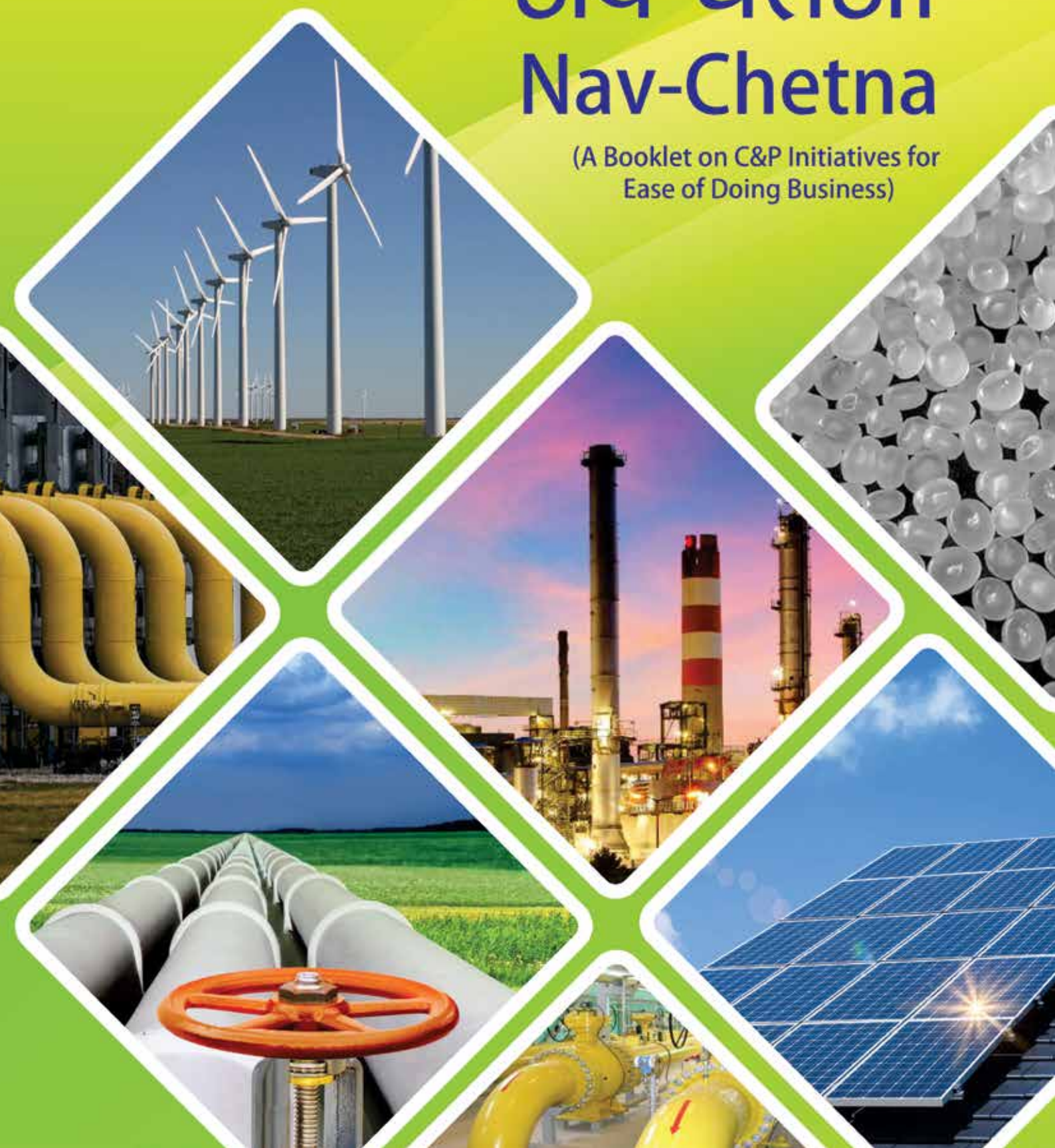




GAIL (India) Limited

नव चेतना Nav-Chetna

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









स्वच्छ ऊर्जा के साथ विकास
Growing with Green Energy

दीपक गुप्ता
Deepak Gupta



GAIL (India) Limited

निदेशक (परियोजना)
Director (Projects)

MESSAGE

With great enthusiasm, I extend my warm greetings to all of you during this Vigilance Awareness Week, being observed from 30th October, 2023 to 05th November, 2023 dedicated to the noble theme, "SAY NOT TO CORRUPTION; COMMIT TO THE NATION"

At the Outset, I take this opportunity to reinforce our commitment to fostering a culture of integrity and transparency in all our endeavours. With the commitment and cooperation of all the stakeholders, we can achieve the vision of Corruption Free India. GAIL as an organization remains at the forefront to adopt the best contract & procurement practices in the industry and promote the highest degree of Transparency.

I am pleased to announce some of the notable achievements of GAIL during the past financial year that stand out as a testament to our resolve to bring economic inclusivity, adaptability to digitalization of Procurement process and governance mechanism to ensure a level playing field for all and encourage a fair and competitive bidding environment.

- The highest-ever procurement from Micro and Small Enterprises (MSEs), with focus on women-owned and SC/ST-owned businesses.
- We have exceeded our GeM procurement targets by a significant margin.
- In our constant quest for excellence, we have also launched new C&P procedures, aligning with the updated manuals on Procurement of Goods, Works, and Services, issued by the Department of Expenditure.
- GAIL has taken various steps in order to facilitate seamless document management and has implemented the Document Transmittal System across GAIL, ensuring the secure and efficient flow of information.
- To promote uniformity in tendering across all our work centers and streamline the bid submission process, we have updated our tenders to align with the latest edition of DoE manuals and Government policies.

It has always been our endeavour to adapt to the evolving landscape of procurement and governance, making us more agile and responsive. During Vigilance Awareness week, GAIL conducts various programs to promote ethics and integrity within our organization and amongst the stakeholders.

Thank you for your continued trust and support. Let us pledge to fight corruption in all its forms and continue our journey toward excellence.

Jai Hind!

Date : 02/11/2023
Place : New Delhi


(Deepak Gupta)



सदीप 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 “SAY NO TO CORRUPTION; COMMIT TO THE 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. In an era where corruption poses a challenge to our nation’s growth, it is essential for us to unite in our commitment to combat this issue. Our chosen theme emphasizes the role each of us plays in building a corruption-free India on the path to becoming a developed nation.

GAIL (India) Ltd has been promoting good governance by adopting initiatives for promoting efficiency and transparency in business operations. It has also been at the forefront of educating stakeholders about good business practices.

The Vigilance Awareness Week is an opportunity for organisations like GAIL to spread awareness about the adverse impact of corruption and to encourage transparent practices and ethical behaviour, 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. This 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.

As we come together for this Business Partners Interactive Meet, I extend a warm and cordial welcome to each of you. Your involvement and cooperation are instrumental in conducting our businesses in a professional, efficient, and transparent manner. Let’s work together to promote ethical behavior and contribute to the mission of making our Nation Corruption-Free.

Let us uphold the spirit of “SAY NO TO CORRUPTION; COMMIT TO THE NATION” and collectively be the change that would propel our nation toward prosperity.

Jai Hind!

Date : 02/11/2023
Place : New Delhi

(Sandeep Sarkar)



एस.हलदर
S.Halder



कार्यकारी निदेशक (सी.एंड.पी.)
Executive Director (C&P)

GAIL (India) Limited



MESSAGE

I am delighted to extend my warmest greetings to all of you on the occasion of the Business Partner Interactive Meet during Vigilance Awareness Week 2023. It is with great pleasure that we come together to reaffirm our shared commitment to ethical conduct and excellence. This year's theme, "Say No To Corruption; Commit To The Nation," resonates deeply with the core values of GAIL (India) Limited. A corruption-free India is the foundation upon which a prosperous and developed nation can be built. It is our collective responsibility to work towards this vision and uphold the principles of integrity.

GAIL has been dedicated to fostering transparency, streamlining business processes and upholding the highest standards of integrity. As a matter of fact, GAIL's stupendous growth has been possible due to robust system & processes with a focus on fairness, transparency and equity and your support & confidence on the same.

One notable accomplishment is the successful achievement of our targets for procurement not only from Micro and Small Enterprises (MSEs) but also MSEs owned by SC/ST and Women entrepreneurs. GAIL is proud of the achievements in this regard. This milestone represents GAIL's commitment to inclusive growth and empowerment of under-represented sections of the society.

We have also made significant strides in streamlining our operations with the implementation of the Vendor Invoice Management (VIM) system, which has greatly enhanced our efficiency in vendor payments leading to a smoother and more reliable experience for our valued Business Partners.

GAIL is not just a business entity; we are committed to social responsibility. Apart from day to day CSR activities, we have undertaken an Entrepreneurship Development Program exclusively for budding entrepreneurs from weaker sections of society as well as women. This program aims to empower the individuals and provide them with opportunities to excel in their business endeavours. Besides, our regular Vendor Development Programs conducted at various work centers serve as a testimony to our commitment to nurturing growth and fostering handholding.

Collaboration and open dialogue are the cornerstones of our journey towards continuous improvement. Therefore, I request all stakeholders to share their invaluable experiences, feedback and insights which will certainly help us to improve our processes for mutual benefits.

While I extend my heartfelt appreciation for the active participation of all Business Partners in GAIL's tenders and their unwavering support for the growth of GAIL, I am confident that we can work towards a stronger, more transparent and corruption-free India contributing to the growth and prosperity of our great nation.

Looking forward to continuous participation of all business partners and meaningful interactions during the meet.

गर्व है हम गेल है।

Date : 02/11/2023

Place : New Delhi

(S Halder)

CORPORATE OVERVIEW



*All targets are inclusive of contribution from group companies



MISSION

Enhancing quality of life through clean energy and beyond

VISION

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

GAIL'S ASPIRATIONS TO ACHIEVE ITS VISION:

Quality of Life

The Company strives to transform the lives of the people it touches by providing improved and environment-friendly products and services in a sustainable way.

Stakeholders

The Company aspires to fulfil the aspirations of its larger stakeholder community, from its employees to customers, partners and society by creating sustainable value. It is accountable for delivering superior results, creating value and generating economic opportunities for the deprived section.

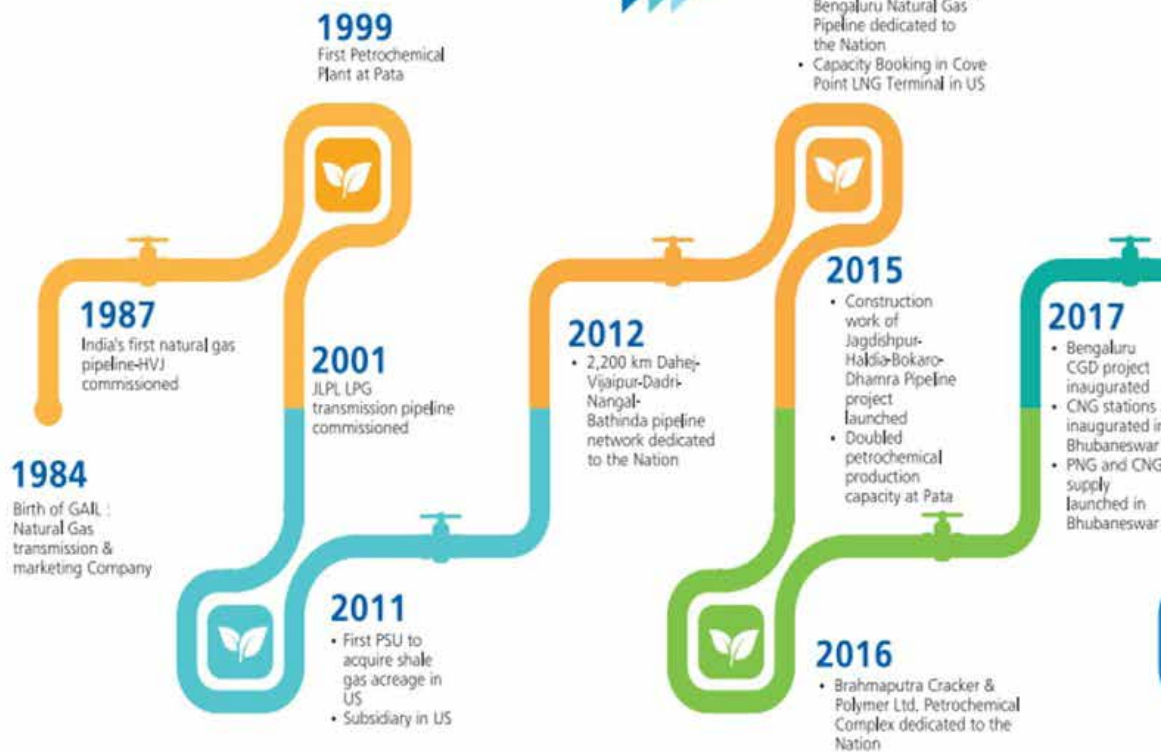
Clean Energy and Beyond

The Company promotes use of superior, sustainable, environment-friendly and efficient energy sources including natural gas, renewables and other clean alternative energies.

Environmental Responsibility

The Company promotes highest levels of operational safety, employee health and cleaner environment. It further strives to minimise its negative impact on the environment and the community.

GAIL'S JOURNEY



GAIL's JOURNEY

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

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

2023

- Acquisition of JBF Petrochemicals Ltd.

Contributing To Nation's Progress



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



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



Operating around
42%
of India's CNG stations
(CGD JVs/GAIL Gas)



Produces every
33rd LPG
cylinder sold in India





GAIL'S CORE VALUES



INTEGRITY & ETHICS

It is transparent, fair and consistent in dealing with people. It insists on honesty, integrity and trustworthiness in all its activities and seeks to exhibit highest levels of personal and institutional integrity.



EXCELLENCE

It seeks to achieve the pinnacle of excellence in all the business verticals where it has significant presence with continuous improvement and learning.



RESPECT

It believes in people, recognises its responsibility towards the employees and respects their unique contribution, teamwork, dignity, rights and privacy.



TECHNOLOGY & INNOVATION

It acknowledges entrepreneurial spirit and constantly supports development of newer technologies, introduction of new ideas/products, improved processes, better services and management practices.



CUSTOMER

It strives relentlessly to exceed the expectations of its customers and to be their first preference by delivering superior products and services, and creating sustainable value.



SAFETY

It aims at providing a safe workplace for its workforce and the communities around it, along with respecting the environment.

**GAIL'S
DIVERSIFIED
PORTFOLIO**

GAIL aims to maximise the value potential of its portfolio by capitalising on its market position and strengthening areas of value creation.



AWARDS AND RECOGNITION IN FY 2022-23

Best CEO Award for Oil and Gas sector – India Today Group

Best Managed Project of the Year Award for the Vijaipur-Auraiya-Phulpur pipeline at the Oil & Gas Awards 2022 by FIPI

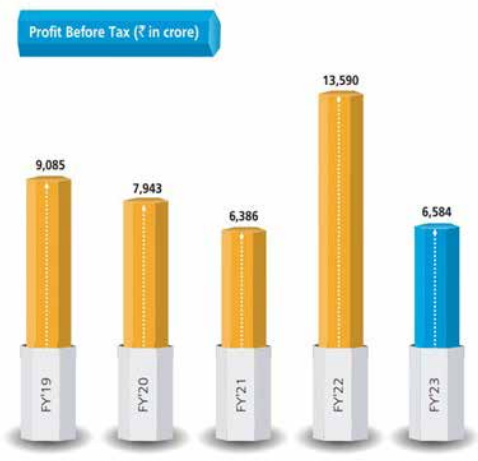
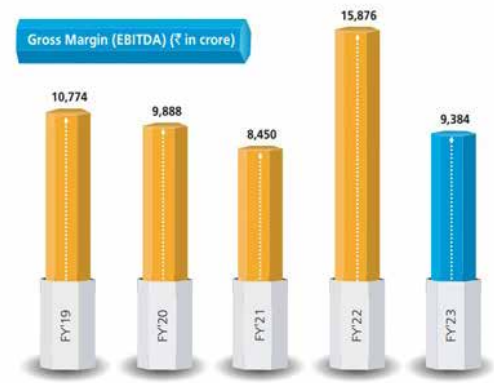
GAIL has won the coveted "Platts Global Energy Award" in the "Energy Transition – Midstream" category in this year in 2022

Director (Finance) was conferred with "CFO Leader of the Year" under the category "Best CFO Oil & Gas" at the ET Ascent 21" Global Edition

GAIL won the 2nd prize for the year 2019-20 and the 3rd prize for the year 2021-22 for Best Implementation of Official Language under Petroleum Rajbhasha Shield Scheme

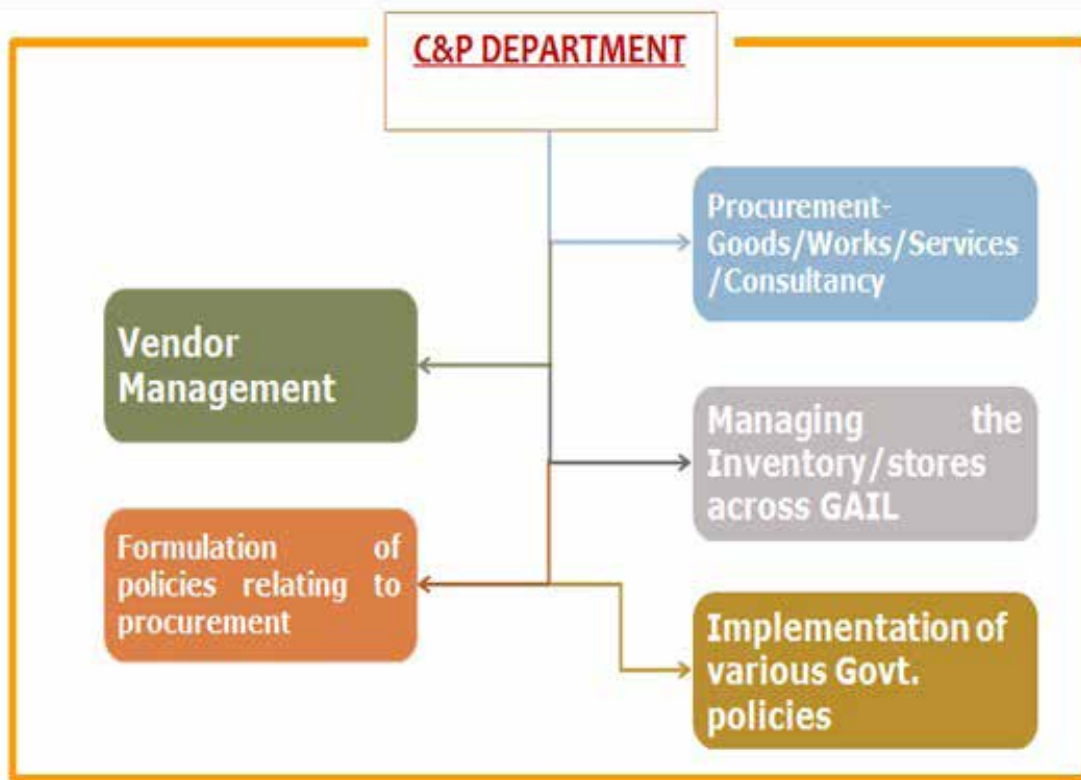


KEY FINANCIAL HIGHLIGHTS



CONTRACT & PROCUREMENT IN GAIL:

- 1 Contract and Procurement Department (ISO 9001:2015 certified) is committed and responsible to carry out various Contracts & Procurement related activities in a fair and transparent manner across GAIL, including the following:
 - Procurement of Goods, Works, Services and Consultancy services relating to Projects, O&M, Petrochemicals, Marketing, Business Development, BIS, GAIL-Tel, HR, Finance, Law etc.
 - Vendor evaluation
 - Vendor Management and Inventory & Stores Management
 - 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 Make in India (MII), Domestically Manufactured Electronic Products, Make in India, Purchase Preference for Telecom Products, works or services and various other activities
 - Digital initiatives
 - Organising various programmes for Vendors, Contractors, EICs, C&P & non-C&P professionals



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

2. Objective of C&P Department

The objective of the Contracts & Procurement functions is to provide the required equipment / material / services of the right quality in right quantity at the right price from right source so as to reach the specified place at the right time and to be able to execute works at site in required sequence and as per schedules allowing fair and equal opportunity of bidding to all competent bidders, subject to the management's guidelines in respect of Works / Procurement Policy.

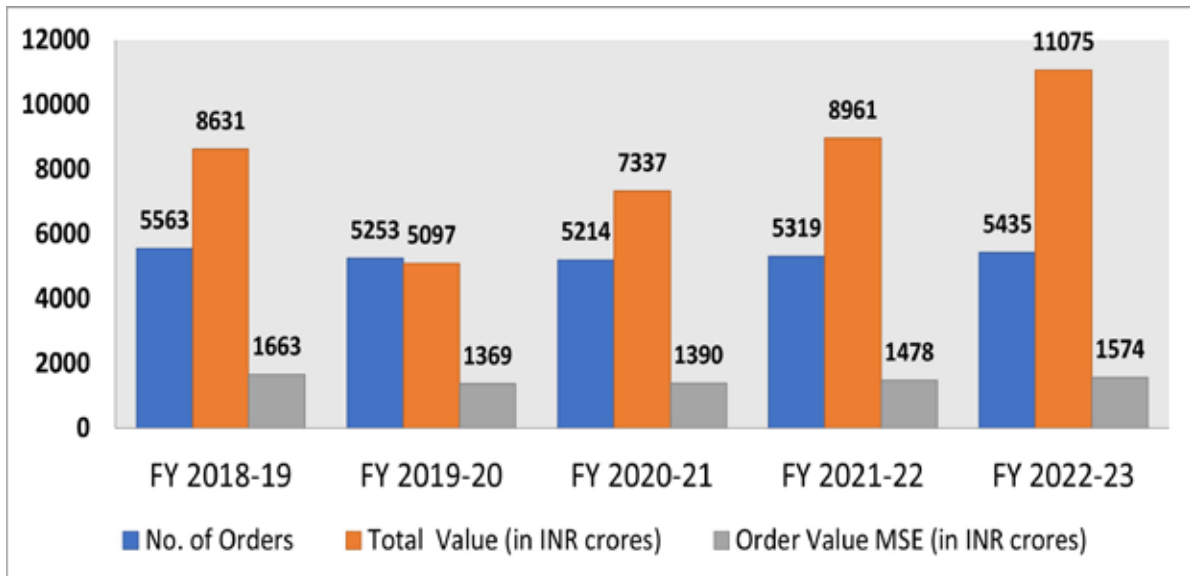
3. Vision of C&P Department

Be the leading Contracting and Procurement Company and ensuring timely delivery & execution. Creating excellence with ethics by fostering most ethical and corruption free business environment for all the Partners in Progress.

4. 6Rs of Procurement



5. In FY 2022-23, there has been a significant increase in Total value of Orders. This is primarily attributable to the significant value of orders placed for the project-related activities of PDH-PP, Usar and PP-Pata. During the FY 2022-23, Total value of procurement amounted to Rs. 11,075 Crores which included orders placed on MSE vendors amounting to Rs. 1,574 Crores. Details of number of orders placed and Total Value of Orders (Rs. In Cr.) for the last three Financial years are depicted in the graph below:



6. GeM Procurement:

GAIL has made procurement of Rs. 2541 Crores in FY 2022-23 through GeM Portal.

7. Procurement from MSEs

Target of 25% of procurement from MSEs was achieved in FY 2022-23. The total procurement made from MSEs amounted to Rs. 1574 Crores which is approx. 46.09 % of total eligible procurement. 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 to 4.01% in FY 2022-23 from 1.90% in FY 2021-22.

To promote inclusivity and participation from marginalized groups Further, a corporate level Vendor Interactive Meet and 16 Vendor Development Programs including four Special Vendor Development Program for SC/ST & Women Entrepreneurs were conducted at GAIL’s various work centers.

8. 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

9. **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

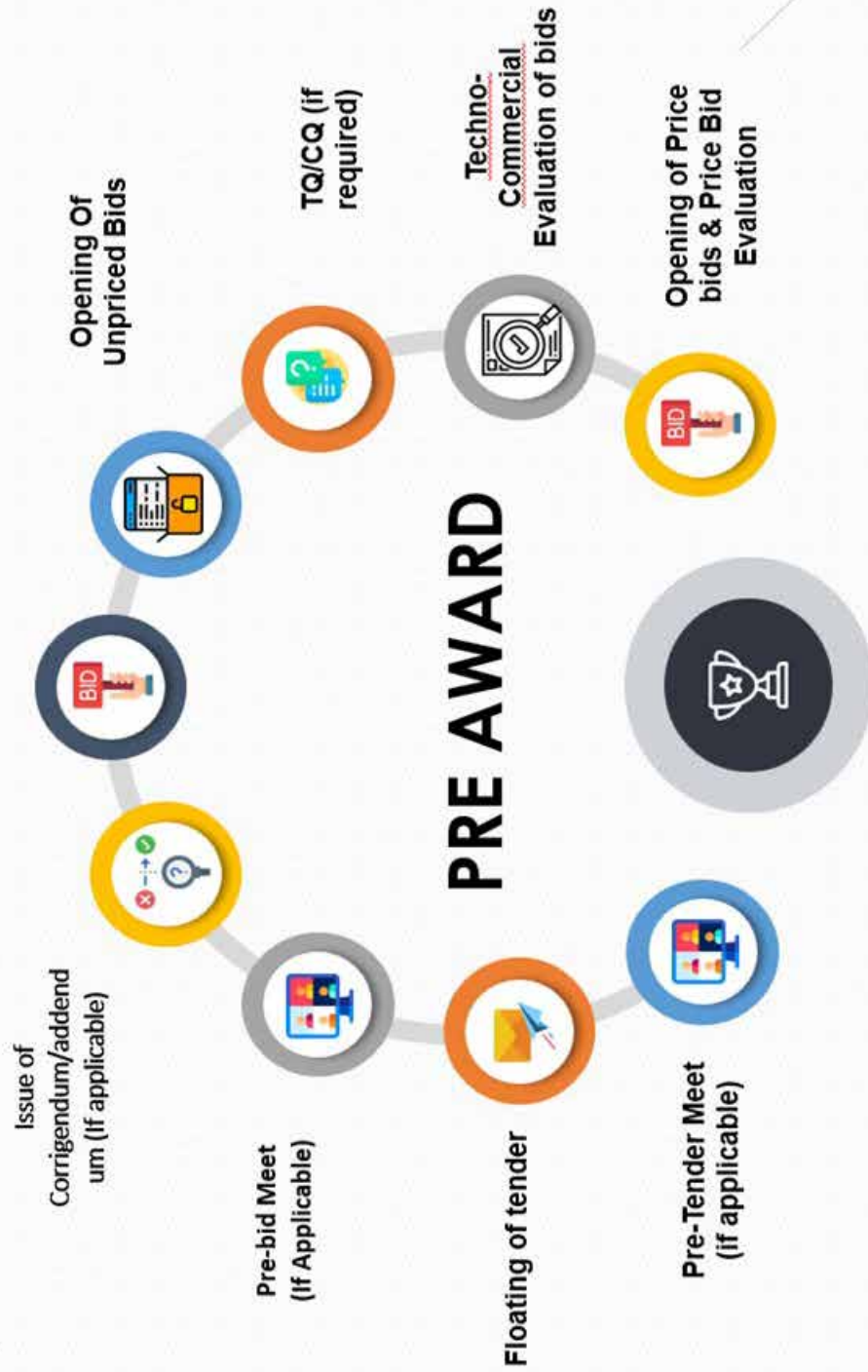
10. **There are various modes thru which aforesaid procurement activities are carried out in GAIL, some of them are as follows:**

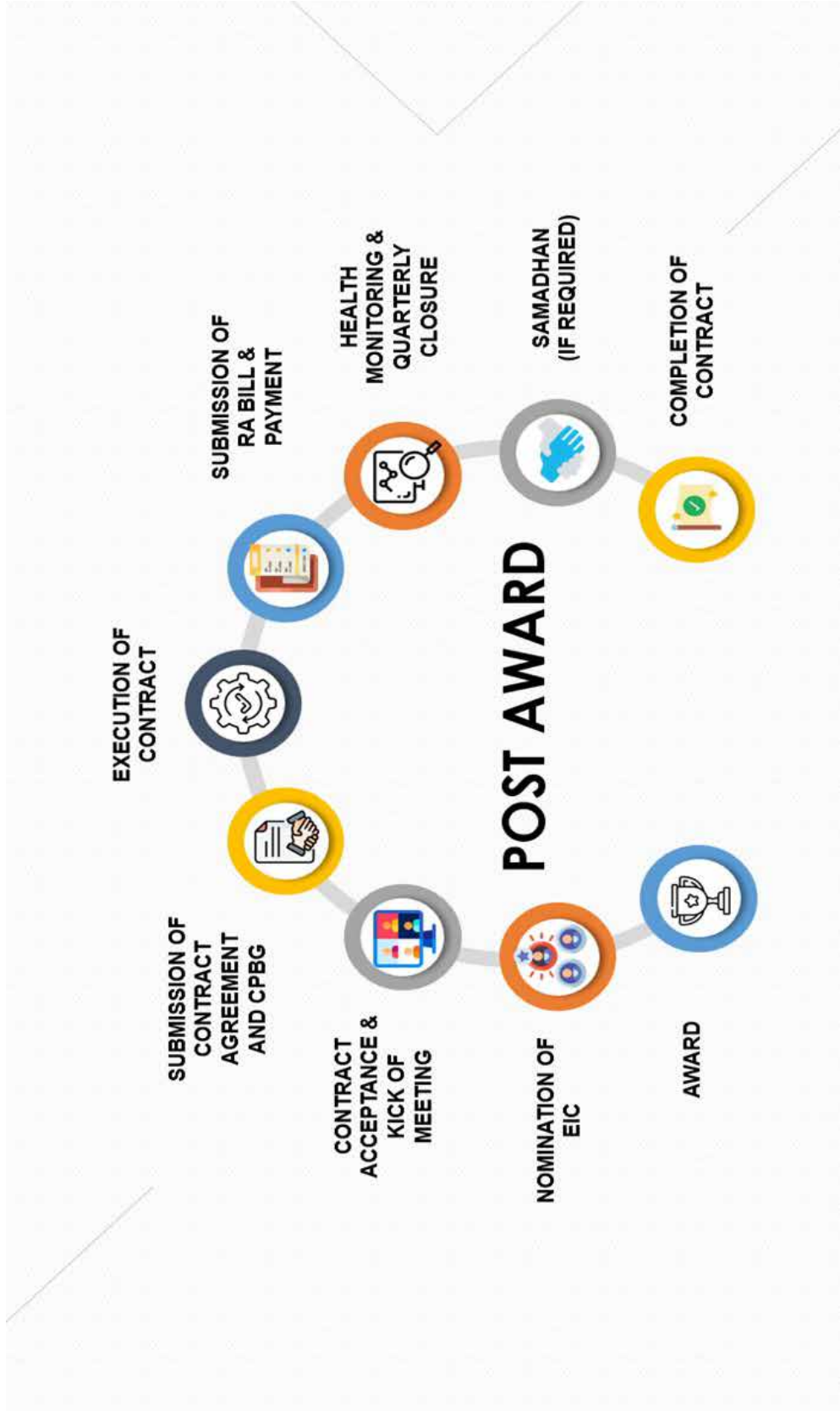
- (i) Government e-Marketplace (GeM)
- (ii) Open Domestic Tenders
- (iii) Limited Domestic Tender
- (iv) Open International Competitive Bidding(ICB)
- (v) Limited International Competitive Bidding (LICB)
- (vi) Nomination order/ award
- (vii) OEM/Proprietary Purchase
- (viii) Petty Purchase/works/services/Hand 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

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

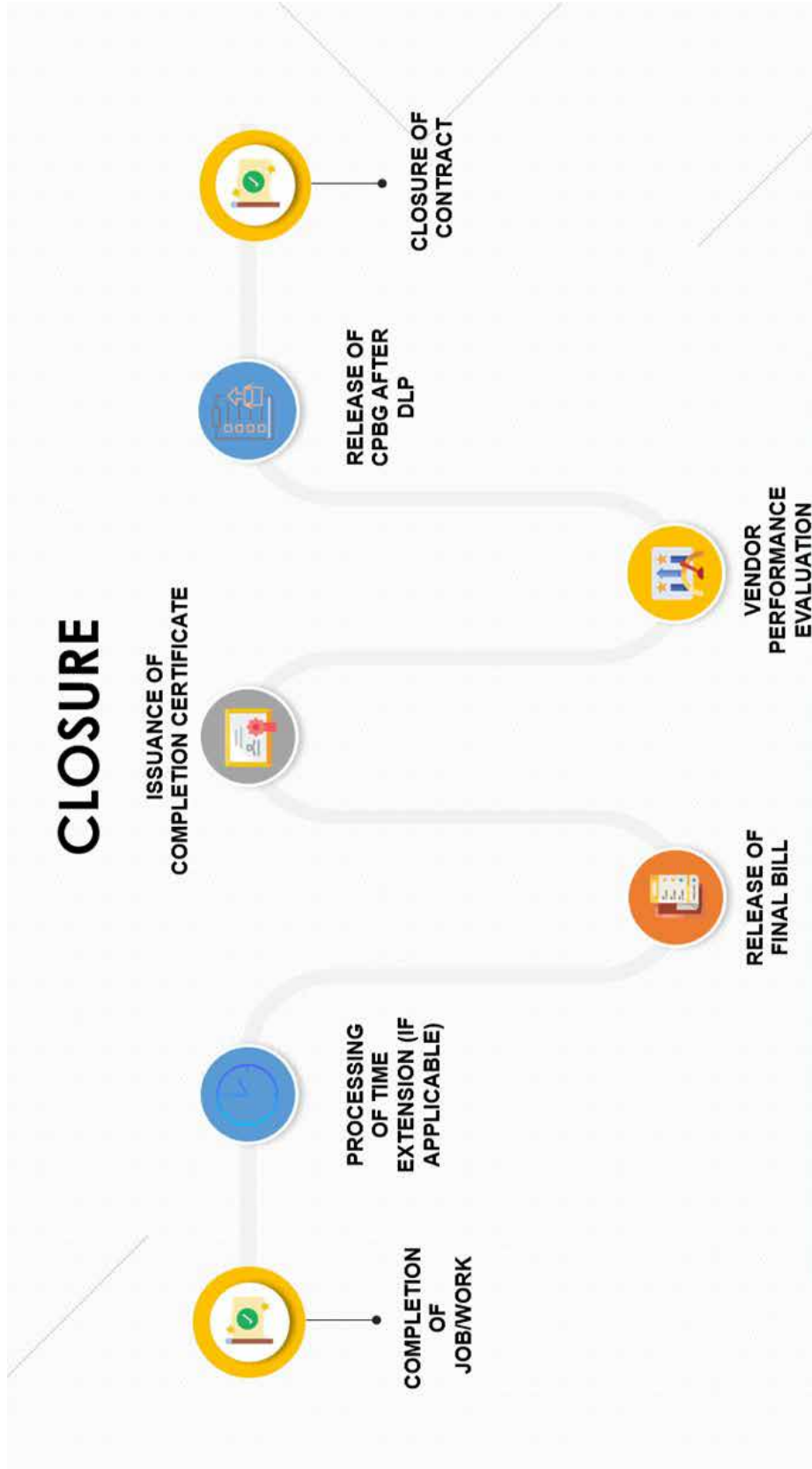
- a) Pre- Award Stage
- b) Post Award (Execution of contract)
- c) Closure of Contract

Submission of Bids





CLOSURE



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 Deepak Kashyap, (email id : deepakkashyapnd02@gmail.com)
- ii) Shri Yogendra Tripathi (email id : yogendratripathi@yahoo.com)
- iii) Shri Amrit Lugun (email id : asha74lugun@gmail.com)

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

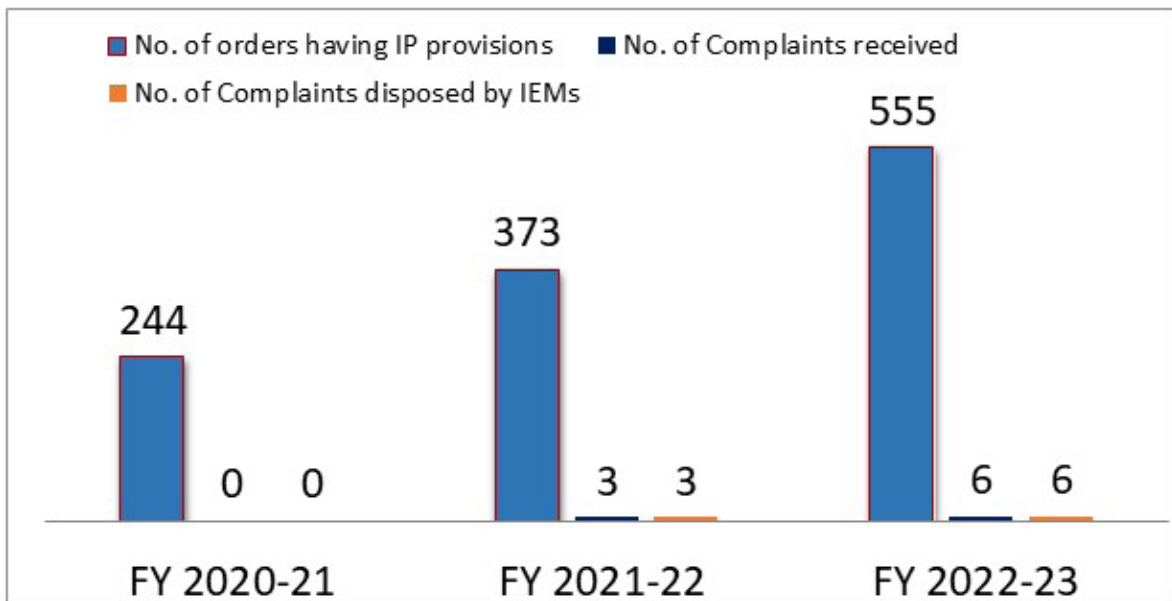
1. The Principal appoints competent and credible Independent External Monitor for this Pact after approval by Central Vigilance Commission. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.
2. The 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. 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.
9. 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.	FY 2020-21	7,337	4,133	5,214	328
2.	FY 2021-22	8,961	5,686	5,319	447
3.	FY 2022-23	11,009	9,955	5,454	555

(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

A. EASE OF DOING BUSINESS

- **Submission of EMD/CPBG Through Additional Mode-”E-Bank Guarantee”**

GAIL has implemented the Swift System for Digitization of Bank Guarantees. Accordingly, banks shall be issuing E-Bank Guarantees through Swift Network against Bid Security/CPS. In order to facilitate the bidders, GAIL has made a provision in the tender document to furnish the EMD / CPBG in e-BG mode also.

- **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.

The revised edition of GAIL's C&P Procedure shall enhance the efficiency in decision-making thereby improving the overall system efficiency.



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 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.

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) 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.

(v) 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.

(vi) MEASURES TAKEN IN WORKS CONTRACTS

In tender of WORKS, the following provisions have been included to address the liquidity issues being faced by the contractors:

- (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.

(vii) 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

(viii) 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).

(ix) 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.

(x) 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.

- (i) 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.

(xi) 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.

(xii) 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.

(xiii) 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.

(xiv) 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.

(xv) 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.

(xvi) 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.

INNOVATIVE TECHNIQUES IN TENDERING/ PROCUREMENT

(i) 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 of GAIL are onboarded on the GeM portal and making procurement through GeM Portal. 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.

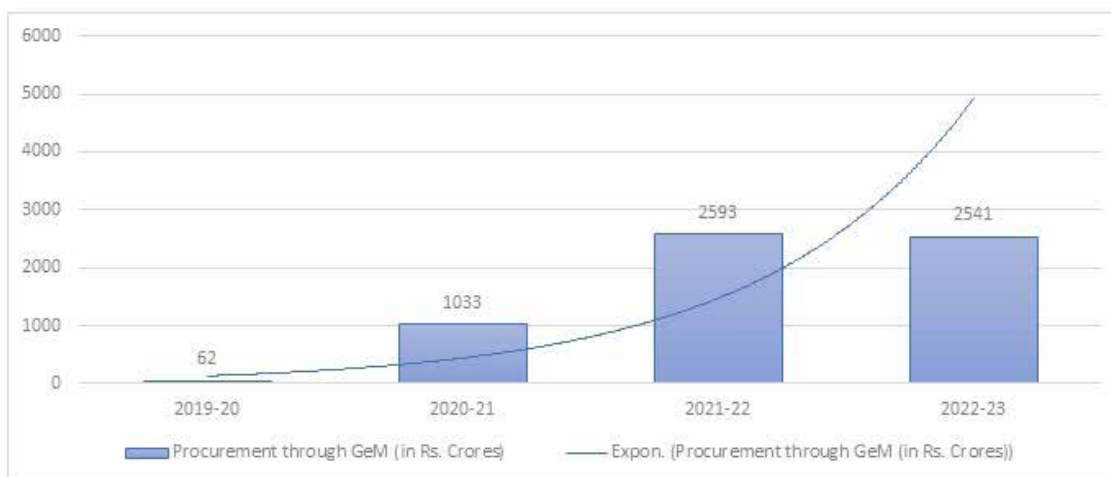
GAIL has implemented the Policy for Procurement of Goods / Works/ Services from Government e-Marketplace (GeM). GAIL is continuously making the best efforts to maximize the procurement from the GeM Portal as detailed below:

- 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.

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

Financial Year	Procurement Value (in Rs. Crores)
2019-20	62
2020-21	1033
2021-22	2593
2022-23	2541



(ii) 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.

(iii) 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:

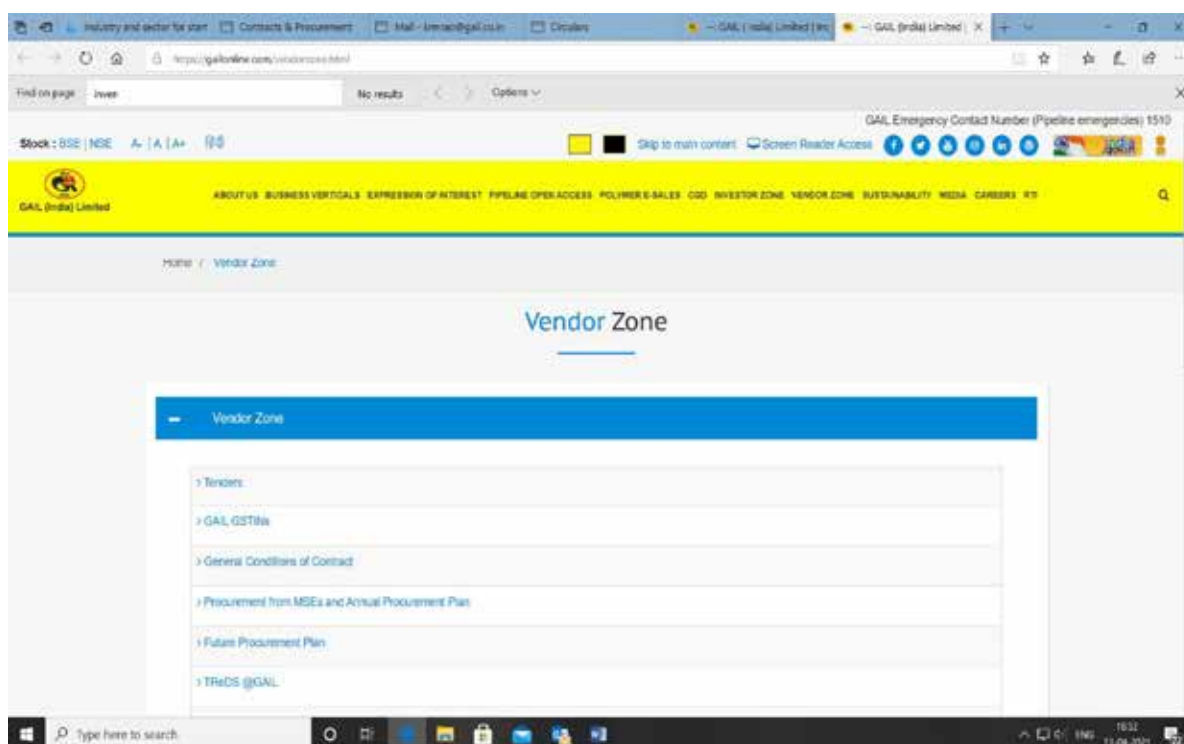
1. Société Générale de Surveillance (SGS)
2. Gulf Lloyds Industrial Services (India) Pvt. Ltd (GLISPL)
3. International Certification Services (ICS)
4. Bureau Veritas (Ind.) Pvt. Ltd (BVIS)
5. DNV GL
6. TUV Rheinland (India) Pvt. Ltd.
7. TÜV SÜD South Asia Pvt. Ltd.
8. TUV India Pvt. Ltd. (TÜV Nord Group)
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.

DIGITAL INITIATIVES IN TENDERING/PROCUREMENT

(i) 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.



(ii) 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.

(iii) IMPLEMENTATION VENDOR INVOICE MANAGEMENT (VIM) SYSTEM

GAIL is operational and live with its new solution called VIM (Vendor Invoice Management) from their Shared Service Center, 'SARATHI'.

VIM is an end-to-end digitally receive – to - post invoicing automation system. The solution is configured to process only digitally signed PDF copy of invoices ingested by vendors through SPARSH Portal into SAP-VIM system of GAIL. This system is highly optimized the invoice management at GAIL and expedite accounts

payable process. Its main feature is OCR which reads and captures data from the vendor invoices automatically and submit it for further processing in VIM system.

Vendor shall be required to upload only digitally signed PDF copy of invoice. Detailed User Manual, Presentation, FAQs and training videos are available on SPARSH portal.



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

(iv) UPLOADING OF TENDERS ON GAIL'S AND GOVT. WEBSITE

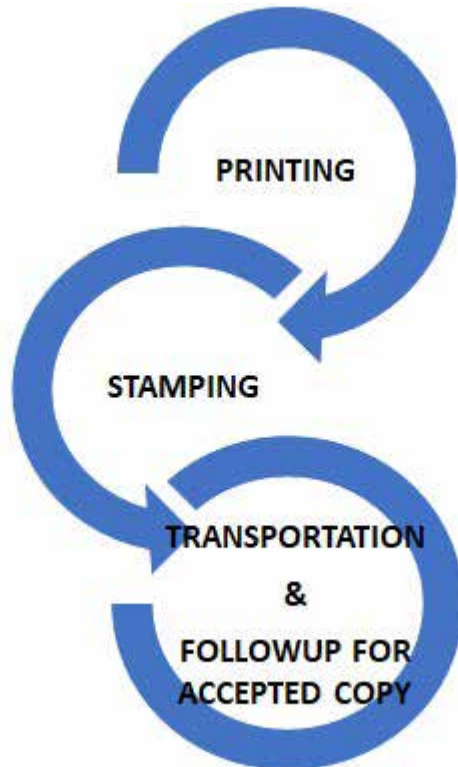
In GAIL, all the tenders are uploaded on GAIL's tender website (<http://www.gailtenders.in>), Govt. website (<http://eprocure.gov.in>) and GeM for wider circulation and participation by eligible bidders. Any bidder who meets the Bid Evaluation Criteria (BEC) can download the tender and can participate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

(v) UPLOADING OF GENERAL CONDITIONS OF CONTRACT ON WEBSITE OF GAIL AND NON INCLUSION IN TENDER DOCUMENTS :

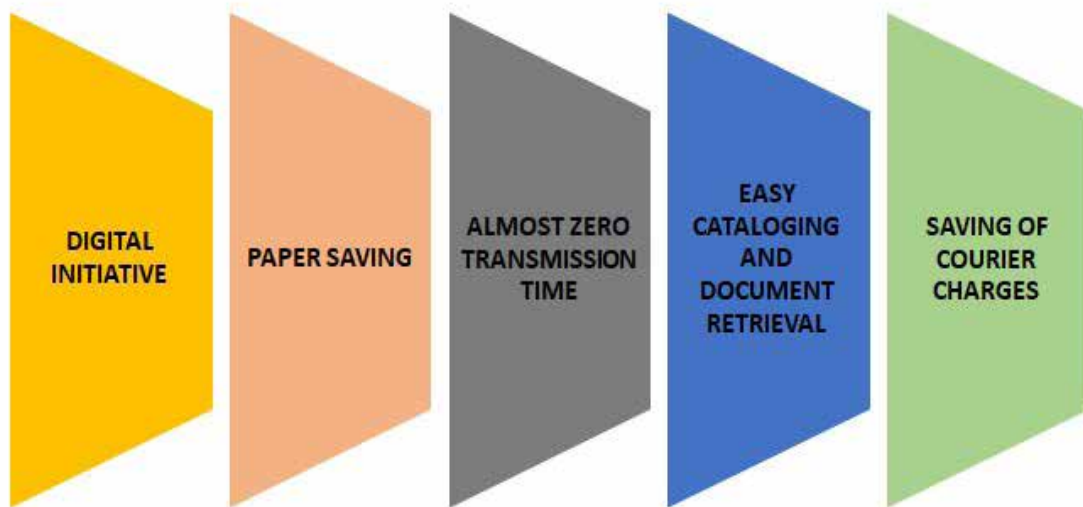
An effort to minimize the consumption of paper in terms of the size/volume of tenders/bids, the Contract and Procurement Department has taken an initiative to make general conditions of contract (GCC) not be a part of the tender documents. As GCC will be available on GAIL's tender website, stakeholders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

(vi) **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. This system has been implemented all across GAIL.



(vii) 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.

(viii) 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.

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
2022-23	3415	1574	137	108	46.09%	4.01	3.16
2021-22	3689	1478	69	111	40.06%	1.90%	3.01%
2020-21	4068	1390	4.77	48.64	34.17%	0.11%	1.20%

• **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 14 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 15 days where the skills of finance, accounting, marketing, human resource and sourcing etc were taught and 35 SC/ST startups were registered. GAIL's / officials had taken multiple sessions on business opportunities and had also motivated the participants. The convocation program was held on 30.07.2022.



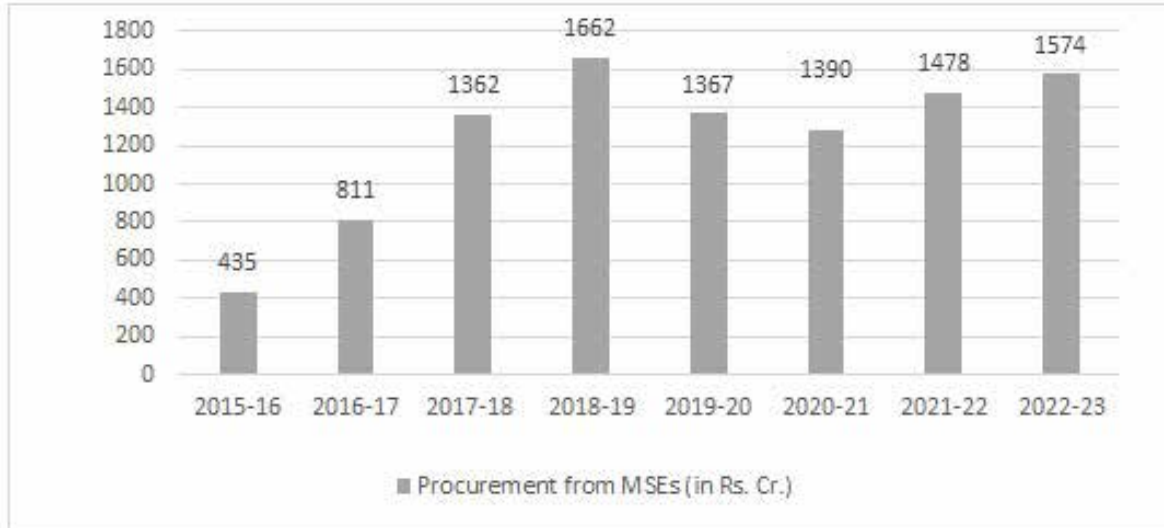


1. TRENDING OF MSE AND SC/ ST PARTICIPATION

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



2. PROVISIONS RELATING TO MSEs INCORPORATED IN GAIL's TENDER:

- (i) 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.

- (ii) 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.

- (iii) 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.

(iv) 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.

(v) 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.

3. 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.

GLIMPSES OF VARIOUS EVENT
ORGANISED BY GAIL

VENDOR MEET / VENDOR DEVELOPMENT PROGRAM

1. BUSINESS PARTNER INTERACTIVE MEET -2022

On behalf of GAIL, Corporate C&P department had organized the 2022 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 (Projects) Sh. Deepak Gupta and attended by CVO GAIL Sh. Sandeep Sarkar, & Independent External Monitors Sh Ajit Sharan, Sh. Sanjeev Behari and Sh. Deepak Kashyap.

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.



2. VENDOR INTERACTIVE MEET

Vendor Interactive Meet during Vigilance Awareness Week was organised by C&P, Vijaipur on 05.11.2022 (Saturday) at Playotel, Guna. More than 45 vendor's representatives participated in the event.



Sh. R P Singh, GM (CP) delivered the welcome speech. He briefed about overall procurement statistics of GAIL and also elaborated on transparent procurement policies followed in GAIL.

Sh. S S Agrawal, ED (O&M-CR/OIC) addressed the gathering as well. He emphasized on the role of stakeholders for a smooth and transparent business. Sh. A K Mohanty, DGM (Vigilance) apprised stakeholders about various systems adopted by GAIL to address their grievances.

Participating vendors were apprised about the Vendor Grievance Redressal System in GAIL apart from various steps taken to increase transparency in our procurement process. Vendors were also acquainted with the recently introduced NIC portal for bidding, procurement through GeM portal 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 GAIL for their entire satisfaction), A Quiz and a sumptuous lunch.

3. VENDOR DEVELOPMENT PROGRAM CUM VENDOR INVOICE MANAGEMENT (VIM) REGISTRATION MELA – GAIL, PATA

Vendor Development Program cum Vendor Invoice Management (VIM) Registration Mela-2023 was conducted by Team GAIL Pata, Auraiya & Zonal office Lucknow on 18th March, 2023 at GAIL Gaon for bringing awareness to suppliers/contractors and to facilitate smooth switching over from existing system to Vendor Invoice Management (VIM) System which was attended by approximately 175 vendors & 50 EICs. C&P, Pata has taken initiatives since conception of VIM in GAIL in September 2022.

From February 2023 onwards, 671 active vendors / contractors of GAIL, Pata are being continuously persuaded to forward despatch documents (commercial & technical) through email and brief despatch details through WhatsApp / SMS before arrival of consignment / original despatch document(s) physically including registration in Sparsh / VIM Portal to release payment on shortest possible time.

More than 450 vendors /contractors are already registered at Sparsh / VIM Portal (as on 02.06.2023).



4. MSME EXPO-2023

The MSME EXPO-2023, a captivating event for the MSME vendor development and industrial exhibition, was organized by VASSIWA (Visakha Autonagar Small Scale Industrialists Welfare Association) in association with the Ministry of MSME. The event was sponsored by GAIL along with other PSUs and was held on January 20th-21st 2023 at Autonagar, Visakhapatnam. The grand occasion witnessed the presence of esteemed government PSU's like Naval Dockyard, Vizag Steel plant, HPCL etc and over 100 MSME vendors.

GAIL (India) Limited, Visakhapatnam also participated, showcasing an exhibition stall and presenting various materials and services procured through different modes of procurement while shedding light on government policies for MSE's and Start-ups. The closing ceremony's Chief Guest, Shri. L.S. Rao CGM (O&M-LPG P/L), OIC, VSPL, emphasized in his speech of GAIL's efforts in boosting MSME participation in their business. Some memorable moments of the session in the form of photos are as follows.





5. MSE MEET – GAIL MUMBAI

C&P Dept., GAIL Mumbai organized MSE Meet on 16th December, 2022 in GAIL Bhawan, Navi Mumbai. It was an interactive program for bidders regarding MSE – its benefits, various preferences available, hierarchy of awarding process etc. Tendering process on- GEM portal and NIC Portal was also discussed. Shri Kamal Tondon, ED (O&M-WR) /OIC & Zonal ED chaired the program. He welcomed MSE participants, encouraged for active participation to ensure maximum benefit out of this program.

The meet started with the welcome speech by Sh T Xalxo, GM (C&P) – HOD. A detailed presentation on GAIL tendering process covering key points on MSE, Purchase preferences, other benefits including exemption from submitting EMD etc was given by DGM (C&P). Tendering process on GeM and NIC portal was also discussed.



6. VENDOR DEVELOPMENT PROGRAM CUM HANDHOLDING SESSION WITH MSEs - GAIL, RAJAHMUNDRY

C&P dept. Rajahmundry has organized a “Vendor Development Program cum Handholding session with MSEs” on 20.03.2023 at M/s. Hotel Shelton, Rajahmundry.

Sh Sashi Menon, ED (F&A), Corporate Office, New Delhi was the chief guest of the program and officials from SBI, Vendors from various states of the country and GAIL employees participated in the program.

Shri K V S Rao, CGM (O&M) & OIC welcomed the stakeholder’s, In his address OIC has briefly touch upon the importance of MSEs in the development of economy in any country and how India has emerged a strong manufacturing country through the development of MSMEs. Shri Sashi Menon, ED (F&A) addressed the stakeholder’s, In his address ED (F&A) has briefly explained about the new initiative VIM (Vendor Invoice Management). Detailed presentation was made by Sh Dr. Shivaraj Bhor, DGM (BIS-FICO), Noida regarding VIM system and SPARSH portal. Vendor’s actively interacted and familiarized about the system.

Detailed Presentation was made by Shri Sunil Kumar K, MGR (C&P) wherein overview of GAIL, KG Basin Rajahmundry, tendering process of GAIL, Various benefits available for MSE vendors in GAIL’s tender, recent changes in GAIL Procedure, benefits for startup bidders & details regarding requirement of materials and regular services for GAIL. Shri T N M Rao, DGM (C&P) & HoD has addressed TReDS & its benefits. There was healthy interaction between GAIL executives & vendors on various issue viz. Tendering Process, GeM, authentication of documents, EMD-PBG, Payments, MSEs etc.

Vote of Thanks was given by Shri T N M Rao, DGM (C&P) & HoD to all the distinguished Guests, Vendors and organizing team, hotel management for a wonderful arrangement for making this event a grand success.



7. VENDOR DEVELOPMENT PROGRAM CUM HANDHOLDING SESSION WITH MSEs CONDUCTED BY GAIL VADODARA AND VAGHODIA.

In line with Corporate (C&P) guidelines, C&P Department GAIL, Vadodara and Vaghodia jointly conducted a “Vendor Development Program” at Vadodara in association with Sh. Vikas Kumar Gupta, Jt. Director (MSME), Ahmedabad, Sh. Sagar Soni, GeM Facilitator, Gujarat State and Sh. Bhavik Sharma from RXIL-TReDS on 28.11.2022.



The program was inaugurated by chief guest of the event Shri. Arun Modi, CGM (O&M) & OIC, GAIL Vadodara, Sh. Girija Shankar, ZCGM (Mktg)-Ahmedabad, Shri Abhay Kumar Gupta, GM (O&M), GAIL, Vaghodia, Shri Ramesh Naik Adavath, DGM (C&P), GAIL Vadodara, Shri K M K Rao, DGM(C&P), GAIL Vaghodia, Sh. Vikas Kumar Gupta, Jt. Director (MSME), Shri Sagar Soni, GeM Facilitator and other dignitaries on dias.

In the welcome address, Shri. Ramesh Naik Adavath, DGM(C&P), welcomed all the dignitaries & participating vendors and guests. While giving an outlay of program, he described the requirement and importance of such events, which are being organized by GAIL to encourage micro & small enterprises to participate in GAIL’s tendering.

Sh. Vikas Kumar Gupta, Jt. Director (MSME) has apprised the participants regarding latest changes and schemes of Ministry of MSME. Shri Sagar Soni, GeM Facilitator, Gujarat State has delivered presentation on registration process, bidding process and payment methods in GeM portal.

Sh. Bhavik Sharma from RXIL has given a detailed presentation on TReDS (Trade Receivables Discounting System) and requested participating vendors to get registered on the platform.

Shri S P Tadavi, CM (C&P), GAIL, Vadodara has given brief presentation on Contract & Procurement related activities at RPNHQ, GAIL Vadodara. Interactive Q&A session was carried out. Bidders have raised queries which were addressed by concerned dignitaries (Refer Annexure-I). Shri K M K Rao, DGM(C&P),GAIL Vaghodia, has concluded the event with Vote of Thanks for all the dignitaries and stakeholders.



The program was attended by more than 40 vendors. A large numbers of queries were raised by the vendors which were replied by the officials of GAIL, GeM, MSME and TReDs satisfactorily. The program is considered as very useful by the participating vendors and dignitaries as per the feedback received in the end of the program.

8. VENDOR DEVELOPMENT PROGRAM CUM HANDHOLDING SESSION – GAIL, JHABUA (M.P.)



Jhabua-C&P organized Vendor Development Program cum Handholding session with MSEs- FY 2022-23 on 01.03.2023 at GAIL Compressor Station Jhabua. Participants included MSEs Vendors, Officials from Department of MSME, Department of NSICs, Official from National SC/ST-Hub (NSIC), GeM Facilitator along with officials of GAIL. More than 50 Contractors/Vendors attended the program.

CGM(C&P), CO, GAIL New Delhi joined through online, and has emphasized that all vendors, contractors who are associated with GAIL must ensure Participation in Pre Tender Conference & Pre Bid Conference to have Responsive bidding so that work should be executed as per tender guidelines and cases of non-performance can be mitigated.

Sh P.K.Jha ZGM(CR) NSIC & Sh Gajniye Joint Director MSME briefed gathering regarding various functioning of NSIC and MSME. Detailed presentation was made given regarding various benefits available for MSEs Vendors, notified criteria for classifying the enterprises as Micro, Small and Medium Enterprises, procedure for Udyam registration.

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, GAIL's emphasis on E-procurement through GeM and NIC. GAIL's various initiative to maximize participation of MSEs, Basic requirements of tenders and has elaborated importance of timely closure of contract and regarding newly introduced Vendor Invoice Management System.

A brief presentation on Vendor Invoice Management System was also made by GAIL Jhabua- F&A and by Sh. Sanjay Kumar Deharia, Facilitator, GeM, has given presentation on GeM through Webinar.

There was healthy interaction between GAIL executives & vendors on various issue viz. Tendering Process, GeM, authentication of documents, EMD-PBG, Payments, E-tendering, MSEs etc.









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