



GAIL (India) Limited

# Do's & Don'ts For Contractors





## Eleven Habits for Successful Contractors:

1. Attending the Pre-Tender Meeting / Pre-Bid Meeting by the person(s) of the Competent Level.
2. Submit Bid as per the provisions of tender document along-with the required formats including submission of Earnest Money Deposit (EMD) and Price-Bid strictly as per Schedule of Rates (SOR)
3. Proper Documentation in advance
4. Not waiting till end of bid due date and time for submission of bid
5. Non-indulgence in Corrupt/ Fraudulent/Collusive/ Coercive Practices.
6. Attending the Kick-off meeting.
7. Submission of Order Acceptance, execution of Contract agreement and Contract Performance Bank Guarantee (CPBG) within prescribed time line.
8. Deploy competent key Manager and persons
9. Developing contract execution strategy
10. Execution of contract as per provision of contract and instructions of issued by Engineer-In-Charge (EIC) from time to time.
11. Utilization of provisions of SAMADHAN & Quarterly Closure of the Contract before approaching to Arbitrator / Court.



# Do's ( are the 'must')

## 2.1 Pre-Award

- Attend Pre-Tender Meeting by the competent person.
- Give a thorough reading of the entire tender document including its attachment.
- Submit bid strictly as per the terms and conditions and specifications contained in the Tender Documents.
- Submit Addenda/Corrigenda to the Tender Document, if issued, duly signed, along-with the Bid.
- Submit Bid consisting requisite documents with authentication as prescribed in the tender.
- Quote rates in English (both in figures as well as in words the rates and amounts) in the Schedule of Rates of Tender.
- Read the Schedule of Rates in conjunction with all the other sections of the tender.
- Fill rates in the original Schedule of Rates (check for revised SOR, if any before uploading) of the Tender Document.
- Maintain the quoted prices/rates firm till the issue of FINAL CERTIFICATE by GAIL.
- Quote the contract prices inclusive the cost of all

royalties and fees for the articles and processes.

- Submit Earnest Money / Bid Security as prescribed in the tender.
- Submit a written request to GAIL, in case of any doubt about the completeness or correctness of any of the contents of the Tender Document or raise queries during pre-bid meeting.
- Quote rate for each item after careful analysis of cost involved for the performance of the complete item considering all specifications and Conditions of Contract.
- Adhere to important conditions such as bid security, contract performance security /security deposit, price reduction schedule, bid validity period etc.
- Furnish all the authenticated documents required to meet Bid Evaluation Criteria like Experience, Financial Criteria, Net-Worth etc in the tender document.
- Ensure timely uploading of bids on the e-tender portal duly digitally signed by the Authorized Signatory with Digital Signature Certificate (DSC) of Class-3b.
- Submit all the forms and formats of the tender duly stamped & signed by the authorized signatory.
- Visit the site and familiarise before submitting the tender.



- Understand and agree that GAIL is entering into agreement solely on its own behalf and not on behalf of any other person or entity or Government of India.
- Before submitting check the authenticity of the documents.

## 2.2 Post-Award

- Attend the Kick-Off meeting arranged by GAIL. Discuss work plan and intermediate milestone for the work. Also, inform the date of requirement of free issue material / work front from owner/ consultant for completion of work in time
- Execute an agreement in the specified format within 15 days of the receipt of the Notification of Acceptance of Tender.
- Submit Contract Performance Security / Security Deposit in the prescribed format within 30 days of issuance of notification of award as per the value specified in the contract & valid for a period 3 months beyond the Defect Liability Period.
- Submit organisation structure both at Site and Head office.
- Adhere to all the terms and conditions specified in Special Conditions of Contract (SCC) of the tender

document.

- Provide all necessary materials, equipment, labour etc. for the execution and maintenance of the WORK till completion.
- Make own arrangements for supply of water to the labour camps and for works including all pumping installations, pipe network and distribution system.
- Maintain the complete installation adhering to the safety requirements of site.
- Keep a check on the health of employees.
- Carry out all construction activities by maintaining highest standards of Safety & Quality.
- Maintain proper documents as per provision of Contract.
- Construct all temporary buildings at own cost and provide suitable water supply and sanitary arrangement. On completion remove all temporary works erected (wherever applicable) as per GCC clause no. 2.5.
- Execute the WORK strictly as per the Time Schedule specified in Tender/Contract Document.
- Notify GAIL in writing immediately but not later than 72 (Seventy-two) hours upon occurrence of a Force Majeure event and upon its termination, of the alleged beginning and ending thereof with full particulars and satisfactory



evidence in support of its claim.

- Complete the work in stipulated time. In case completion is delayed, total Contract price shall be reduced by  $\frac{1}{2}$  % per complete week of delay or part thereof subject to a maximum of 5 % of the Total Contract Price, by way of reduction in price for delay and not as penalty as per GCC clause no.27.
- Maintain a site instruction book and compliance of which to be communicated to the ENGINEER-IN CHARGE from time to time and the whole document to be preserved and handed over after completion of works.
- Take all charges on account of royalty, toilage, rent, Goods & Services Tax (GST) and/or other duties or any other levy on materials obtained for the work or temporary work or part thereof on the Contractor's account.
- Submit documents pertaining to the Contract including Specifications, Schedules, Notices, Correspondence, operating and maintenance Instructions, Drawings, or any other writings written in English language only.
- Provide all spares required for commissioning of the plants, recommendatory and/or mandatory spares, if specified in the contract.
- Execute all works in strict conformity with the provisions





of the contract Documents. Ensure replacement of defective parts and materials on receiving such notice within 7 days or as may be reasonable necessary.

- Submit all the relevant documents related to the work including the as-built drawings on completion of work.
- Ensure timely submission of bills with all relevant documents and obtain BWS receipt from GAIL on submission of bill.
- Properly store all materials either issued or brought to the site to prevent damages due to rain, wind, direct exposure to sun, etc. as also from theft, pilferage, etc. for proper and speedy execution of works.
- Provide all the materials required for the construction including steels, cement and other building materials, tools, tackles, construction plant and equipment for the completion and maintenance of the work as per specification and rates specified in the contract.
- Take all incidental charges for the storage and safe custody of materials at site after these have been issued to Contractor's account.
- Provide all assistance, instruments, labour and materials as are normally required for examining, measuring and testing any workmanship until & unless specified



otherwise.

- Guarantee the installation/work for a period of 12 months from the date of completion of work (or as specified in the contract).
- Adhere to the aggregate total liability under the Agreement limited to 100% of Agreement / Contract Value.
- Provide suitable insurance to cover damage, loss, accidents, risks etc., in respect of all his plant, equipment and machinery, erection tools & tackles, transit insurance, etc.
- Comply with all labour laws and keep the EMPLOYER indemnified. Ensure all statutory clearances at place before start of work.
- Pay equal wages for men and women in accordance with applicable labour laws.
- Adhere to safe construction practice and guard against hazardous, and unsafe working conditions and comply with EMPLOYER's safety rules.
- Compliance to all the statutory requirements.
- Maintain first aid facilities for its employees and those of its approved sub-contractor.
- Provide Fire Extinguishers, Fire Buckets and drums at

work site (wherever specified).

- Adhere to GAIL's laid down systems and procedures in relation to labour, safety, insurance, etc. always ensure workers are with PPE.
- Ensure that the order is executed with acceptable standards with due compliance of contract provisions. Ensure hindrances, if any are recorded in the Hindrance register.
- Ensure submission of list of sub-contractors to EIC at the commencement of every month
- Submit bills and measurements as per provisions of Contract, GST law and checklist provided by GAIL.
- Furnish a request in case of delay for reason not attributable to contractor, with detailed reasoning and backup documents.
- Attend all meetings related to SAMADHAN (amicable settlement of disputes), Health monitoring of contract including Quarterly Closure of Contract meetings.
- Utilize the Preventive Dispute Resolution Mechanism before invoking Arbitration in the Contract.
- Make all the labour payments within the time schedule specified in the contract.



# Don'ts

(are to be emphasised with “never”)

## 3.1 Pre-Award

- Miss the Pre-Tender and Pre-Bid Meeting.
- Stipulate any deviations (or additions & alterations) while submitting tender.
- Make erasure / over writing / use of correction fluids in the documents submitted for tender.
- Revoke or cancel or modify the tender or any given term thereof after opening of bid and during the validity of the tender.
- Request for clarifications regarding local conditions.
- Request for revision of construction time to be submitted after tenders are opened.
- Delay the submission of the bid w.r.t. the bid due date & time.
- Modify the offers after opening of tenders.
- Offer Suo-Moto discount after un-priced bid opening.
- Furnish EMD in form of FDR / Securities.

- Take any deviation to the format of EMD / CPBG provided in the tender document.
- Take any deviation, as GAIL tenders are ZERO DEVIATION TENDER
- Indulge in Corrupt/ Fraudulent/Collusive/ Coercive Practices.

### **3.2 Post-Award**

- Delay the submission of the Contract Performance Bank Guarantee as per the requirement of the tender.
- Construct any unauthorised buildings, constructions or structures anywhere on the project site.
- Allow any person (except for authorised watchman) to stay in the plant area/contractor's area after completion of the day's job.
- Share or interest therein in any manner or degree part of the contract to be transferred, assigned or sublet directly or indirectly to any person, firm or corporation whatsoever without the consent in writing, of the Engineer/Employer.
- Sublet the whole Works as per GCC clause 37.
- Sell or otherwise dispose of or remove except for the purpose of this contract, the sand, stone, clay, ballast, earth, rock or



other substances, or materials obtained from any excavation made for the purpose of the WORK or any building or produce upon the site at the time of delivery of the possession thereof.

- Adjust the contract price for reasons of delays and extensions granted except as provided in tender document.
- Communicate or use in advertising, publicity, sales releases or in any other medium, photographs, or other reproduction of the Work under the contract.
- Despatch any material from the contractor's stores before obtaining the approval in writing.
- Employ any labour below the age of 18 (eighteen) years on the work.
- Submit any proposals for changes in value of contract or extension in time on account of any changes which may arise to the contractor's scope of work as a result of detailed Engineering and thereafter during the execution of work.
- Pay less than what is provided under law to labourers engaged.
- Allow the unauthorised sale of spirits or other intoxicants, beverages upon the work in any of the buildings, encampments or tenements owned, occupied.





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