



PMC Cell – MM

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Circular No. 01/2015 MM Manual Amendment No. MM/78/2015

No: MAT/PMC/13(12)/13(11)/2015

Dated: 01.01.2015

Sub: Formation of Tender Committee and powers for carrying out various activities.

ONGC Board in its meeting held on 12.12.2014 has accorded approval to implement revised BDP-2014 with effect from 01.01.2015. As per the provisions of revised BDP, powers for procurement of materials/equipment, hiring of facilities/equipment/services including consultancy and award of LSTK/works contract/maintenance contracts has been delegated to the executives of Level-1 to Level-4.

In accordance with the above revision of delegation of the powers and change in the status of CPAs, the Level of TC and other powers (as per **Appendix-1**) and level of constitution of Purchase Board for carrying out purchase through board of officer etc. shall stand modified as per enclosed **Appendix-2**.

Further, in accordance with provisions under para 3.1 of MM Manual, powers for carrying out various activities indicted in the MM Manual and Disposal Procedure shall also stand automatically updated in accordance with the revisions / amendments carried out to the respective provisions of BDP.

Above guidelines comes into force with effect from the date of implementation of revised BDP-2014 i.e. 01.01.2015 and should be meticulously followed by all concerned.

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ED-Chief MM Services

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Appendix-1Statement showing Existing vis-à-vis modified provisions of MM Manual:

Para No.	Existing Provisions		Modified Provisions				Remarks
66.1	Constitution of Tender Committee		Constitution of Tender Committee				
	Accepting Authority	TC Level	CPA (As per BDP)	Level Of Rep. from MM	Level of rep. from Finance	Level of rep. from Indentor	Modified provisions
	Level-I or above	In-charge MM / Head Central Purchase under Chief MM, In-charge Finance and Level II of User Department.	Level-1 and above	I/c MM	I/c Finance	L2	
	In-charge MM	Second Level MM Officer #, Second Level Finance Officer# and Officer of indenting dept of corresponding Level	Level-2	Second Level MM	Second Level Finance	L3	
	Second Level MM Officer	MM Officer E-4 Level, Finance Officer and Officer of indenting Dept. of corresponding level	Level-3	Third Level MM	Third Level Finance	L4	
	Other MM Executive (E-4 & above).	MM Officer E-3 Level, Finance Officer and Officer of indenting dept. of corresponding level.	Level-4/E5 Tender value > Rs 25 Lakh	E4	E4	E4	
			Tender Value upto Rs 25 Lakh	E3	E3	E3	

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Para No.	Existing Provisions	Modified Provisions	Remarks
	<p>Note:</p> <p>(i) # Second level officer in MM and Finance as designated at the work center</p> <p>(ii) The level of TC and CPA will be with reference to sanction value or tender value whichever is higher. However, after opening the price bids, if the evaluated price of lowest bid / bids is higher than the tender value and the tender accepting power is not within the power of original CPA, then the CPA and TC level will be raised to appropriate higher level.</p> <p>(iii) If the required level of TC member is not posted/ not in station (on leave/tour) at a work centre then the TC member will be of the next lower level available and /or as nominated by the Tender accepting authority. Level-I shall have full powers in such cases.</p> <p>(iv) In case of turnkey projects wherever indenter is not end user and requirement is for use within the work centre then end user will also be a member of tender committee.</p> <p>(v) For items/services under centralised procurement, officers posted in Technical cell attached with the respective set-up for centralised procurement shall carry out the Technical evaluation and also can be TC members as representatives of Indenting</p>	<p>Note:</p> <p>(i) <u>For cases where CPAs are Level-2 to Level-4 executives, I/c MM, I/c Finance and L2 of indenting dept. shall nominate the TC representative of respective depts.</u></p> <p>(ii) <u>2rd and 3rd Level Officers from Finance and MM Deptt shall be identified by I/c Finance/I/c MM respectively with the approval of concerned Level I Executive.</u></p> <p>(iii) <u>For cases processed by Departments other than MM and indenting deptt, representative of tender processing group shall be of the same level as of the representative of the Indenting Department.</u></p> <p>(iv) The level of TC and CPA will be with reference to sanction value or tender value whichever is higher. However, after opening the price bids, if the evaluated price of lowest bid / bids is higher than the tender value and the tender accepting power is not within the power of original CPA, then the CPA and TC level will be raised to appropriate higher level.</p> <p>(v) If the required level of TC member is not posted/ not in station (on leave/tour) at a</p>	<p>Underlined provisions modified</p>

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Para No.	Existing Provisions	Modified Provisions	Remarks
	<p>Deptt. However, due to technical complexity of the item/service being procured, if In-charge of the Technical cell feels necessary, he can put up the case to the respective Chief of Services/concerned Head of the Deptt. for Technical comments and can also co-opt a representative of the concerned Service as a member of the TC with the approval of the respective Chief of Service/Head of the concerned Deptt.</p> <p>(vi) For all other items/services also, TC will continue to have only three members. Wherever Indenting department and User department(s) are different, depending on technical complexity of the item/service being procured, Indenting Department can co-opt for having a representative from User department also in the TC.</p> <p>(vii) For OEM/OES/PAC/ cases where tender value is upto 5% / 1% of the open tender acceptance powers of Level-1 executive as per BDP item MP4 (a), TC shall be held at the level of 2nd level MM Officer / MM Officer E-4 level respectively as stated at Sl. No. 2/ Sl. No. 3 above. In such cases, TC recommendations shall be put upto CPA (Level-1 executive) for approval through I/c MM.</p> <p>(Authority: Note-3 under "Note common for MP4(a to f)" of BDP-2009)</p>	<p>work centre then the TC member will be of the next lower level available and/or as nominated by the Tender accepting authority. Level-I shall have full powers in such cases.</p> <p>(vi) In case of turnkey projects wherever indentor is not end user and requirement is for use within the work centre then end user will also be a member of tender committee.</p> <p>(viii) For items/services under centralised procurement, officers posted in Technical cell attached with the respective set-up for centralised procurement shall carry out the Technical evaluation and also can be TC members as representatives of Indenting Deptt. However, due to technical complexity of the item/service being procured, if In-charge of the Technical cell feels necessary, he can put up the case to the respective Chief of Services/concerned Head of the Deptt. for Technical comments and can also co-opt a representative of the concerned Service as a member of the TC with the approval of the respective Chief of Service/Head of the concerned Deptt.</p> <p>(ix) For all other items/services also, TC will continue to have only three members. Wherever Indenting department and User department(s) are different, depending on</p>	

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		<p>technical complexity of the item/service being procured, Indenting Department can co-opt for having a representative from User department also in the TC.</p> <p><u>For OEM/OES/PAC cases & services/works from Govt. department and nomination cases, where tender value is upto 5%/1% of open tender acceptance powers of Level 1 executive under BDP item 24.1.b and 24.1h, TC shall be held at the level where indenting deptt representative shall be of L3/L4 level respectively as stated above.. In such cases, TC recommendations shall be put upto CPA (Level-1 executive) for approval through Level 2 executive of user department.</u></p>	
<p>90.2 Termination of contract / supply order</p>	<p>Competent Purchase Authority for cases upto their purchase powers and CMD for Executive Procurement Committee cases will have full powers to cancel the contract / supply order in the event(s) indicated in sub-paras (i) to (iv) below. Provisions of paras 56.2 and 88 on Liquidated Damages / Failure and Termination and acceptance of materials in deviation to specified specifications respectively will be kept in view while exercising powers in respect of sub-paras (i) and (ii) below:-</p> <p>i. Specified delivery schedule is not adhered</p>	<p>Competent Purchase Authority for cases upto their purchase powers and Director concerned for Executive Procurement Committee cases will have full powers to cancel the contract / supply order in the event(s) indicated in sub-paras (i) to (iv) below. Provisions of paras 56.2 and 88 on Liquidated Damages / Failure and Termination and acceptance of materials in deviation to specified specifications respectively will be kept in view while exercising powers in respect of sub-paras (i) and (ii) below:-</p> <p>i. Specified delivery schedule is not</p>	

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Para No.	Existing Provisions	Modified Provisions	Remarks
	<p>to</p> <p>ii. Laid down specifications are not adhered to or when the performance of the contract is un-satisfactory.</p> <p>iii. Major contractual terms and conditions are violated</p> <p>iv. Insolvency</p>	<p>adhered to</p> <p>ii. Laid down specifications are not adhered to or when the performance of the contract is un-satisfactory.</p> <p>iii. Major contractual terms and conditions are violated</p> <p>iv. Insolvency</p>	
<p>87. POST CONTRACT ISSUES</p>	<p>Post contract issues (Post LOA/NOA issues, where ever unconditional LOA/NOA is placed in line with the agreed tender / bid conditions) will require to be deliberated by the tender committee (for cases exceeding Rs 5 lakh) and submitted for approval of the Competent Purchase Authority.</p> <p>Irrespective of the type of tender/mode of purchase or the value of individual Purchase Order/ Contract, all the post contract issues regarding amendment in condition(s) of contract / supply order etc will be approved by the same authority who approved the award of contract, subject to observance of guidelines and procedure on the subject. For cases approved by EPC, Concerned Director, Director(Finance) and C&MD will approve post contract issues.</p>	<p>Post contract issues (Post LOA/NOA issues, where ever unconditional LOA/NOA is placed in line with the agreed tender / bid conditions) will require to be deliberated by the tender committee (for cases exceeding Rs 5 lakh) and submitted for approval of the Competent Purchase Authority.</p> <p>Irrespective of the type of tender/mode of purchase or the value of individual Purchase Order/ Contract, all the post contract issues regarding amendment in condition(s) of contract / supply order etc will be approved by the same authority who approved the award of contract, subject to observance of guidelines and procedure on the subject. For cases approved by EPC, <u>Concerned Director</u> will approve post contract issues.</p>	

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Para No.	Existing Provisions	Modified Provisions	Remarks
54.2 Re- invitation of tenders	54.2.1 In the event of re-invitation of bids whether on a limited or open tender basis the Competent Purchase Authority will obtain in advance the decision of the Purchase Authority one step higher. In respect of proposals falling under the purview of Executive Purchase Committee, the decision for re-tendering will be taken by concerned Director in consultation with Chairman-cum-Managing Director.	54.2.1 In the event of re-invitation of bids whether on a limited or open tender basis the Competent Purchase Authority will obtain in advance the decision of the Purchase Authority one step higher. In respect of proposals falling under the purview of Executive Purchase Committee, the decision for re-tendering will be taken by concerned Director.	
Tax Protected Contracts (Circular 01/2014 dated 16.04.2014)	Corporate Tax(Applicable in tax protected contracts) : In exceptional cases where Directs tax(es) arising under the contracts are to borne by ONGC ,contracts such nature should be entered into with the approval of Director concerned, Director(Finance) and CMD.	Corporate Tax(Applicable in tax protected contracts) : In exceptional cases where Directs tax(es) arising under the contracts are to borne by ONGC ,contracts such nature should be entered into with the approval of Director concerned & Director(Finance) .	

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Appendix-2Level of executive to be nominated for carrying out purchase through Board of Officers

The constitution of Board shall be as follows:

CPA (As per BDP)	Level of Rep. from MM	Level of rep. from Finance	Level of rep. from Indenter
Level-2 and above	I/c MM	I/c Finance	L2
Level-3/E6	Second Level MM	Second Level Finance	L3/E6
Level-4/E5	Third Level MM	Third Level Finance	L4/E5
E-4	E4	E4	E4
E-3	E3	E3	E3
E-2	E2	E2	E2

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