



# Oil and Natural Gas Corporation Ltd

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## Circular No. 35/2020

No: MAT/ MAT/PMC/13(108)/2020

Dated: 13.08.2020

**Sub: System improvement in bid evaluation, order placement and QAD process.**

During the investigation of a procurement case, following observations have been brought out by vigilance:

- i) Bidder quoted as an authorized distributor/ marketing & selling agent of the Manufacturer. Bidder was required to confirm to the technical specifications, duly supported with technical catalogue/literature. Bidder submitted Product Catalogue of himself instead of Manufacturer. The catalogue and literature submitted by bidder alongwith the bid bore the logo of bidder himself and not that of manufacturer.
- ii) Bidder also gave undertaking that in event of award of order, tendered item shall be manufactured and supplied by manufacturer.
- iii) Technical comments did not bring out that the technical catalogue was that of the bidder (Distributor) and not that of the manufacturer.
- iv) TC while recommending the award specifically deliberated that clause to be incorporated in PO that products to be supplied shall be manufactured by the firm which has been mentioned as manufacturer and shall carry the test and inspection certificate and also the warranty certificate of the manufacturer.
- v) However, PO was placed without indicating the name and other details of the actual manufacturer. Place of inspection was also mentioned as "firm's works" instead of specifically mentioning manufacturer's address. Testing & inspection was carried out at bidder's premises and not at manufacturer's premises.
- vi) Pursuant to the letter of award, bidder was to submit Quality Assurance Plan (QAP) and General Arrangement Drawings (GAD). The QAP and GAD, submitted by bidder, bore the logo of himself and not of the manufacturer.
- vii) Further, during inspection, it was not noticed that all the test certificates submitted were issued in the name of bidder instead of manufacturer.

In this context, reference is invited to Circular no. 38/2017 dated 28.08.2017, wherein inter alia it was stipulated that the quoted details like status of the bidder(s) i.e., whether dealer or manufacturer and name of the manufacturer, place of inspection etc. may be deliberated & recorded by TC. These details must also be entered in the ICE system while creating the PO for the successful bidder so that they form an integral part of the PO sent to various agencies.

As per BEC Clause B.1.1, bid should conform to the technical specifications indicated in the bid document, duly supported with technical catalogues/ literatures, wherever applicable. In case bidder is dealer/distributor and not a manufacturer, then these documents must be of the concerned manufacturer only. Further, while offering technical comments, indenting section must clearly mentioned the status of bidder (manufacturer or dealer).

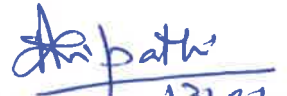
Similarly, QAP and drawings, if any, required to be submitted either during bidding stage or execution stage must be of the concerned manufacturer only. The same must also be made part of the Purchase order.

Bidder must be asked to provide the place of Inspection along with complete address and the same must be clearly mentioned under text 'Place of Inspection' while creating PO in ICE.

During inspection, Inspection authority must ensure that all the test certificates and reports must be in the name of the manufacturer only.

Accordingly, all concerned are once again advised to comply the provisions as stipulated in Circular no. 38/2017 dated 28.08.2017 along with the instructions as mentioned above.

Above guidelines should be meticulously followed by all concerned.



(A P Tripathi) 13/8/2020

ED-Chief MM Services

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