



PMC Cell – MM

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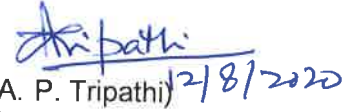
Sub: Purchase Preference Clause of Service Contract

Reference is invited to circular No. 18/2014 dated 12.11.2014 whereby detailed guidelines on Public Procurement Policy for MSEs-Order 2012 has been notified for compliance, wherein following provision approved by EC was incorporated in the BEC of service contract:

"In case participating MSEs quote price within price band of L1+15%, such MSE shall be considered for award of contract by bringing down their prices to L1 price in a situation where L-1 prices is from someone other than a MSE."

However, the above provision was inadvertently missed out at clause no 29.1 of Annexure-I of tender conditions of Service Contracts. In accordance with the above, relevant provision of tender conditions for Service Contracts stands modified as per attached Annexure-1.

Above guidelines should be meticulously followed by all concerned.


(A. P. Tripathi) 2/8/2020

ED-Chief MM Services

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Statement showing existing vis-à-vis modified provisions

Clause No	Existing Provisions	Modified Provisions
29.1	<p>Modification to the tender conditions of Service Contracts - Instructions to Bidders –Annexure-1</p> <p>PURCHASE PREFERENCE TO MICRO AND SMALL ENTERPRISES REGISTERED WITH DISTRICT INDUSTRIES CENTERS OR KHADI AND VILLAGE INDUSTRIES COMMISSION OR KHADI AND VILLAGE INDUSTRIES BOARD OR COIR BOARD OR NATIONAL SMALL INDUSTRIES CORPORATION OR DIRECTORATE OF HANDICRAFTS AND HANDLOOM OR UDYAM REGISTRATION OR ANY OTHER BODY SPECIFIED BY MINISTRY OF MSME OR UDYOG AADHAR MEMORANDUM</p> <p>29.1.1 (i)</p> <p>In case of more than one bidder eligible for purchase preference, then the eligible MSE(s) shall be allowed to share portion of supply in the following manner:</p> <p>(a) In case of more than one such MSE bidder qualifying for 15% purchase preference, the 25% supply shall be shared equally amongst such MSEs.</p> <p>(b) In case 25% quantity cannot be further divided, ONGC shall place the order for supply of 25% quantity to lowest eligible MSE amongst the MSEs qualifying for 15% Purchase Preference.</p>	<p>PURCHASE PREFERENCE TO MICRO AND SMALL ENTERPRISES REGISTERED WITH DISTRICT INDUSTRIES CENTERS OR KHADI AND VILLAGE INDUSTRIES COMMISSION OR KHADI AND VILLAGE INDUSTRIES BOARD OR COIR BOARD OR NATIONAL SMALL INDUSTRIES CORPORATION OR DIRECTORATE OF HANDICRAFTS AND HANDLOOM OR UDYAM REGISTRATION OR ANY OTHER BODY SPECIFIED BY MINISTRY OF MSME OR UDYOG AADHAR MEMORANDUM</p> <p><u>29.1.1 (i) In case participating MSEs quote price within price band of L1+15%, such MSE shall be considered for award of contract by bringing down their price to L1 price in a situation where L1 price is from someone other than a MSE.</u></p> <p>In case of more than one bidder eligible for purchase preference, then the eligible MSE(s) shall be allowed to share portion of supply in the following manner:</p> <p>(a) In case of more than one such MSE bidder qualifying for 15% purchase preference, the 25% supply shall be shared equally amongst such MSEs.</p> <p>(b) In case 25% quantity cannot be further divided, ONGC shall place the order for supply of 25% quantity to lowest eligible MSE amongst the MSEs qualifying for 15% Purchase Preference.</p>

Clause No	Existing Provisions	Modified Provisions
	<p>(ii) In the opinion of ONGC, if tendered goods/services cannot be divided in the ratio of 75% / 25%, then ONGC reserve the right to award on lowest eligible MSEs for quantity not less than 25% quantity, as may be dividable.</p> <p>For example:</p> <p>In case tendered quantity is between 1 to 3 (not divisible in the ratio of 75:25), MSE shall get order for 1 no. only and the rest will go to L-1 (non-MSE bidder). Same analogy shall be applied for quantities which are not dividable in the exact ratio of 75:25</p> <p>Notes:</p> <p>(i) In case of any other preferential policy applicable in a tender, distribution of quantities for supply of goods/services among eligible bidders shall be done in such a manner that eligible bidders get the share of minimum specified percentage for supply by them.</p> <p>(ii) In case tendered items cannot be procured from multiple sources or are absolutely non splittable or non-dividable, PO/Contract shall be placed for supply of 100% quantity to lowest eligible bidder, if any, amongst the bidders qualifying for purchase preference.</p>	<p>(ii) In the opinion of ONGC, if tendered goods/services cannot be divided in the ratio of 75% / 25%, then ONGC reserve the right to award on lowest eligible MSEs for quantity not less than 25% quantity, as may be dividable.</p> <p>For example:</p> <p>In case tendered quantity is between 1 to 3 (not divisible in the ratio of 75:25), MSE shall get order for 1 no. only and the rest will go to L-1 (non-MSE bidder). Same analogy shall be applied for quantities which are not dividable in the exact ratio of 75:25</p> <p>Notes:</p> <p>(i) In case of any other preferential policy applicable in a tender, distribution of quantities for supply of goods/services among eligible bidders shall be done in such a manner that eligible bidders get the share of minimum specified percentage for supply by them.</p> <p>(ii) In case tendered items cannot be procured from multiple sources or are absolutely non splittable or non-dividable, PO/Contract shall be placed for supply of 100% quantity to lowest eligible bidder, if any, amongst the bidders qualifying for purchase preference.</p>