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Circular No. 50/2018-cum-Integrated MM Manual Amendment No. 41/2018

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Sub: Determination of CPA for extension of existing contract awarded on nomination basis.

EPC, in its meeting (19/2018) held on 27.08.2018 has reviewed the Integrated MM Manual provisions pertaining to compounding of previous contract value for determining CPA in nomination cases. EPC directed that for cases where prior approval of concerned Director has been obtained detailing the justifications for resorting to nomination on continuous basis, CPA for award on nomination basis shall be determined based on the value of the individual contract. Such approvals shall be valid only for a period of three years. For further continuity of such services, the prior approval needs to be obtained afresh from concerned Director which again shall be valid for three years.

In accordance with the decisions taken in the aforesaid meeting of EPC, relevant provisions of Integrated MM Manual stand modified as per Annexure-I.

Above guidelines should be meticulously followed by all concerned.

(Ashwini Nagia) ED-Chief MM Services

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## Annexure-l

## Statement shoring existing vis-à-vis modified provisions of Integrated MM Manual

Para No.	Existing Provisions	Modified Provisions
24.10,1 (iii)	However, if the contract which is due to expire was awarded on nomination basis and further contract is also to be awarded on the same agency on nomination basis, the value of such contract should be added to determine the CPA. This provision is applicable only to cases pertaining to service contracts except cases pertaining to AMC/Services from OEM/OES. In cases pertaining to procurement of goods each supply order which is placed on even on nomination basis should not be clubbed with other past orders placed on nomination basis for determining the CPA	However, if the contract which is due to expire was awarded on nomination basis and further contract is also to be awarded on the same agency on nomination basis, the value of such contract should be added to determine the CPA. However, under the following conditions (in respect of services), CPA shall be determined based on the value of each such individual contract:  i) Cases pertaining to AMC/Services from OEM/OES.  ii) For cases where prior approval of concerned Director has been obtained detailing the justifications for resorting to nomination on continuous basis. Such approvals shall be valid only for a period of three years. For further continuity of such services, the prior approval needs to be obtained afresh from concerned Director which again shall be valid for three years.  In cases pertaining to procurement of goods each supply order which is placed even on nomination basis should not be clubbed with other past orders placed on nomination basis for determining the CPA.