

**Circular No. 95/2023**

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**Sub: System improvement in Procurement through Board of Officers**

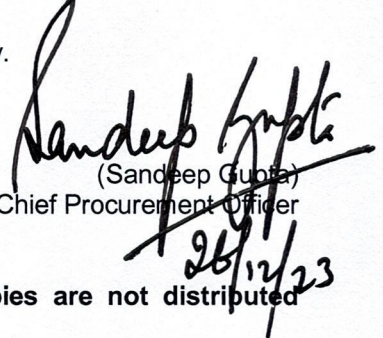
While investigating a case for Hiring of Vehicles by a Work Centre through Board purchase, Vigilance has observed as under:

- i) Board proceedings were prepared only at the time of deciding the award of contract and deliberations held at various stages of tender processing were not recorded in writing by the Board while taking critical decisions.
- ii) As per the Board proceedings, RFQs were issued to only those vendors who were from the Work Center location and had participated in ONGC tenders in past. Based on the above criteria, the tender enquiries were not issued to all the vendors, whose names were forwarded by Indentor. Vigilance has also observed that it would have been prudent for the Board to have recorded their decision at pre-RFQ stage only, in the form of Board proceedings. Subsequently, the request of some of the vendors for issuance of RFQ was not considered as they were not meeting the above criteria. Vigilance has further observed that that the decision of Board to issue RFQ to select vendors on the basis of a criteria, without formally recording the same at that point of time, cannot be considered as transparent.
- iii) Further, in the instant Board Purchase, it was observed that three rounds of clarifications were sought from bidders, which lead to delay in finalisation of Board Purchase. As per IMMM guidelines, maximum two rounds of clarification are allowed in normal tender (Open/Limited tender).

In view of the above observations, following system improvement measures to be complied in case of Purchase through Board of Officers:

- i) The decisions taken by the Board of Officers during tender processing viz formulating criteria for issuance of tender enquiry, seeking clarification from bidders after tender opening, techno-commercial evaluation etc. should be recorded in writing by the Board while taking such decision, for better transparency in tender processing.
- ii) Ideally, the situation of seeking clarifications from the bidders in purchase through Board of officers should not arise. However, in case the clarifications are required to be sought from the bidders, the number of rounds for seeking clarification should not be more than two, as being sought in case of Open/Limited Tenders.

All concerned are advised to follow the above guidelines meticulously.

  
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