



**SECTION – I
WORKS AND PROCUREMENT POWERS**

(All Amounts in Rs.)

Sl No.	Nature of Power	Extent of Delegation of Powers to respective Technical Executives				Remarks
		Director (Tech)	Executive Director	HOP not below the rank of DGM	Sr. Manager and Manager	
1	2	3	4	5	6	7
1.	Technical sanction to detailed estimates(for approved projects)	Full power	Full power	15 crores	75 lacs	a) The delegation is for the components of a project or for sub-packages constituting a component as provided in the project report/cost estimate. b) The tender specifications and Bill of Quantities shall be drawn by the Design Wing or any other group/groups considered essential by the Competent Authority. c) Where the variance between FR/DPR and the actual cost estimate is over 10% or Rs.100 lacs in each package/sub-package for which the cost estimate has been prepared, quarterly report shall be submitted to D(T).
2.	(a) Approval/acceptance of lowest tender in respect of works including erection through open tender a. Construction b. O&M Plants c. S&I	25 crores 15 Crores 5 Crores	15 crores 10 Crores 4 Crores	10 crores 5 Crores 2 Crores	75 lacs 50 Lacs 25 lacs	a) Tenders will be invited by the respective Contracts Wing of the Corporation only after the approval of the cost estimate is accorded. b) Enquiries are required to be issued for open tenders. In case of open press advertisement, press tender in the local press and national press is required to be done where the estimated value is above Rs 10 lacs and 25 lacs respectively. (c) Acceptance of tender for award of work which is more than 25% of the estimate shall be approved by the next higher authority. (d) In case the valid offer received is less than three , then the fact be bought to the notice of next higher authority before opening of bids. Approval of next higher authority is required except in case of award of proposals falling within the power of Director.
	(b) Limited tender for works (to be invited in case of urgency having limited source, in					a) Limited tender enquiries are those issued for requirements which do not fall under open tender category or are required due to urgency or for specialised jobs, to not less than five tenderers whose names have been



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	unavoidable circumstances with the approval of next higher authority. a. Construction b. O&M Plants c. S&I	5 crores 3 crores 2 crores	3 crores 2 crores 1 crores	1 crores 1 crores 50 lacs	15 lacs 15 lacs 10 lacs	maintained in a list based on past experience or experience or current offers. b) The number and names of parties selected for issue of limited tender enquiry shall be approved by the next higher authority. D(T) will be self approving authority. c) If less than 3 valid quotations are received against limited tender then the same will require the approval of next higher authority. d) If only one valid quotation is received then it will be regulated as award of work without call of tender
3	Award of work without call of tender	3 crores	1 crore	50 lacs	5 lacs	Urgency is required to be established and recorded and finance concurrence to be obtained.
4	i) Purchase of Materials Open tender	10 crores	7.5 crores	3 crores	35 lacs	a) Enquiries are required to be issued for open tenders. In case of open press advertisement, press tender in the local press and national press is required to be done where the estimated value is above Rs 10 lacs and 25 lacs respectively. b) Acceptance of tender for award of work which is more than 25% of the estimate shall be approved by the next higher authority. c) In case the valid offer received is less than three , then the fact be bought to the notice of next higher authority before opening of bids. Approval of next higher authority is required except in case of award of proposals falling within the power of Director
	ii) Purchase of Materials Limited tender	3 crores	1.5 crores	50 lacs	15 lakhs	Enquiries are required to be issued for open tenders. In case of open press advertisement, press tender in the local press and national press is required to be done where the estimated value is above Rs 10 lacs and 25 lacs respectively



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	iii) Award of supply without call of tender or against single tender	2 crores	75 lacs	40 lacs	Nil	Procurement to be made against Proprietary Article Certificate(PAC), for source standardisation or in case of urgency. Proprietary Article Certificate shall be approved by HOP. Source standardisation or urgency should be established/ justified and recorded.
5	Award of contract for supplies of maintenance spares and works (services) including consumables such as lubricants, chemicals etc. (a) against single offer of BHEL, other PSUs, original equipment manufacturer or authorised dealers of oems and proprietary items (for power station equipments only).	5 crores	1 crores	50 lakhs	10 lakhs	Before taking any procurement action, the O&M estimate is required to be sanctioned by the Project Head (GM/DGM) at the start of the financial year. a) Items to be procured should be earmarked even if on “broad head” in the O&M estimate. b) Quantity justification to be recorded. c) Proprietary Article Certificate (PAC) is required to be approved by the Head of Project not below the level of DGM.
	(b) award of contract for supplies of maintenance spares and works (services) including consumables such as lubricants, chemicals etc. other than sl.5(a) above on ground of urgency/ source standardisation (for power station equipments only)	2 crores	1 crores	50 lakhs	10 lacs	a) Before taking any procurement action, the O&M estimate is required to be sanctioned by the Project Head (GM/DGM) at the start of the financial year. b) Items to be procured should be earmarked even if on “broad head” in the O&M estimate. c) Quantity justification to be recorded.
6	Award of contract for maintenance spares, tools & other spares (except power station equipment) a). On open tender i) From manufacturer of original equipment	2 crores	1 crores	50 lakhs	10 lakhs	



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	ii) From others on ground of urgency	1 crores	50 lakhs	25 lakh	5 lakh	
	(b) Acceptance of single tender on open tender From manufacturer or others on grounds of urgency	1 crores	50 lakh	25 lakh	5 lakh	
	(c). Acceptance of limited tender on urgency (having limited source and due to unavoidable circumstance; to be brought on record)	1 crores	50 lakh	25 lakh	5 lakh	<p>(a) Limited tender enquiries are those issued for requirements which do not fall under open tender category or are required due to urgency or for specialised jobs, to not less than five tenderers whose names have been maintained in a list based on past experience or experience or current offers.</p> <p>(b) The number and names of parties selected for issue of limited tender enquiry shall be approved by the next higher authority. D(T) will be self approving authority.</p> <p>c) If less than 3 valid quotations are received against limited tender then the same will require the approval of next higher authority.</p> <p>d) If only one valid quotation is received then it will be regulated as award of work without call of tender</p>
7	Purchase of cement/steel Purchase of Cement/Steel a) Open Tender b) Limited Tender	10 crores 5 creores	7.5 crores 2Crores	3 crores 50 lacs	Nil Nil	<p>a) Cement will be procured in rake-loads against open tenders to be finalised once a year and to be invited from reputed manufacturers having BIS registration, as per annual requirements to be submitted in monthly form by respective projects. Cement will also be procured in small quantities from local Dumps of the manufacturers whenever requirements do not make rake –load</p> <p>b) Tenders invited from Empanelled manufacturer/ or their</p>



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	c) Offer Basis(Without call of Tender)	3 crores	50 lacs	25 lacs	Nil	<p>authorized dealer will be regulated as per Cl.7(a) i.e Open Tender.</p> <p>c) On urgency procurement may be made on offer from from any empanelled / or their Authorised dealer.</p> <p>d) Empanelment will be done by the Material Management wing to be approved by Director (Tech). The empanelment should be reviewed periodically</p> <p>e) In case of emergency or crisis of cement at Project site , procurement may be made from authorised dealers of reputed manufacturers , duly observing all codal formalities and after recording the necessity of resorting to such procurement procedure.</p> <p>f) Normally cement should not be stocked for more than 3 months requirement. However if cement is to be stocked for more than 3 months then approval of next higher authority is to be obtained. D(T) will be the self approving authority.</p> <p>g) In case of open Tender, Clause (b), (c) and (d) under remark column against Clause 2(a) of Section-I is to be complied.</p> <p>h) In case of Limited Tender, remarks under remarks column against Clause 2(b) of Section-I is to be complied.</p>
8	Purchase of explosives on open / limited tender.	1 crores	50 lakh	25 lakh	---	For Limited Tender, reasons are to be recorded before approval of the next higher authority. Dir (Tech) shall be the self approving authority.
9	Handling & transportation of materials	Full Power	Full Power	5 lacs	---	



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10	Canalised imports through Public Sector Units	5 crores	3 crores	1 crore	---	a) Estimate is to be sanctioned. b) Formal requisition from the project authority is required.
11	a) Grant of extension of time for works /supplies with / without levy of penalty	Full Power	Upto 50% of original time or 18 months which ever is less of contract /order awarded by him and Full Power in respect of contracts approved by his lower authority	Upto 50% of original time or 18 months which ever is less of contract /order awarded by him and Full Power in respect of contracts approved by his lower authority.	---	In case of non-applicability of Force Majeure, extension may be granted subject to the following conditions: i) Time extension will not effect the overall construction schedule of the project and does not have any additional burden to NEEPCO. ii) That the work/supply is still required by the project within the extended time. iii) That the tender for the work/supply has not been accepted for higher value on account of earlier execution vis-a vis other tender. iv) Market economics suggests the benefit in time extension.
	b) Grant of extension of time for works /supplies with reduction/ waiver of penalty	D(T):Full power for order issued by authority below ED	ED : Full power for order issued by authority below HOP.			
12	Repeat orders (Purchase for approved items only)	Up to 50% of the original order value approved by him or his lower authority	Up to 50% of the original order value approved by him or his lower authority	Upto 50% of the original	---	Full justification to be recorded.
13	Award of work to Govt. Deptt. /PSUs (Deposit work)	10 crores	5 crores	1 crore	---	Reasons for resorting to Deposit Work should be recorded.



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14	R&M of Tool and Plants at Project Sites a) From Manufacturers b) Other than Manufacturer	Full Power Full Power	50 lakh 20 lakh	25 lakh 10 lakh subject to an annual ceiling of 50 lacs.		
15	Variance during post-award execution of work / supply, over award price in respect of Contracts awarded by corporate office due to scope / quantity variations / new or extra items etc.					15.1 a) These powers will be exercised in consultation with Design & Engineering Deptt. b) While issuing construction drawing D & E Deptt. will mention the following: - Quantity as per construction drawing - Quantity as per BOQ - Variation in quantity (if any) - Financial Implication on account of variation i.e. (variation qty x contract rate) c) Monthly statement of all such variations including Financial implication is to be submitted by D&E Deptt. to CMD. d) Pending technical approval , HOP is authorized to release provisional payment for the extra works. Upto 75% will be released for extra works executed at BOQ rates or analogous rates and upto 50% for extra works executed as per analysed rates. Project should ensure that the proposal for approval of the extra
15.1	Technical approval for the above at the drawing approval stage.	Full Power subject to remarks at Column 7 [including powers at col. (4)]	15% of Contract value of Es.30 crores whichever is lower			



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						works is put up at the earliest and the provisional payment should not exceed the power delegated to CMD (refer annexure A Sr No 5 (C) of DOP)
15.2	<p>Approval for issue of change order, based on technical approval at 15.1 above, in respect of LOA/ Contracts.</p> <p>For variation in quantity indicated in BOQ, extra item / substitution of item.</p>	20% of Contract value or Rs.50 Crores, whichever is lower, including Power delegated to lower authority.	15% of Contract value or Rs.30 Crores, whichever is lower, including Power delegated to lower authority.	10% of Contract value or Rs.20 Crores which ever is lower.	---	<p>15.2</p> <p>a) These powers will be exercised in consultation with associated finance.</p> <p>b) In respect of civil, structural and erection / supply cum erection packages awarded by Corporate Office, and executed by site these powers will be exercised by the site authorities as per delegation alongside. Excess beyond the delegated powers of D(T) shall be approved by CMD.</p> <p>c) These powers will be exercised subject the condition that deviation shall not exceed 10% of the estimate for any component part of a Project for which component wise sanction has been accorded by the Board / Government.</p> <p>d) Variance beyond quantity/value variation limits provided in the contracts/LOA shall be reported in a quarterly Management Report compiled by Corporate Monitoring Cell and submitted to CMD with a copy to C&P Deptt. and Head of Corporate Finance . Corporate Monitoring Cell shall watch and ensure submission of the report. If there is no variance to be reported, a nil report shall be submitted.</p> <p>e) A copy of the change order as per 15.2, issued by Corporate Office, shall be sent to the project with a copy to Corporate Monitoring Cell and Corporate F&A.</p> <p>f) The Corporate Monitoring Cell shall submit to CMD, through D (T)/D (F), a quarterly report of project wise cost variations with brief reasons for the same, with a copy to Corporate C&P for initiating action of seeking approval of the Board/GOI, for all deviations in estimates / more than 10% for any component wise sanction has been accorded.</p>



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16	Variation during post award execution of work/supply order or award price in respect of contract / LOA awarded by site due to scope/quantity variation etc.					
16.1	Technical approval for the above a) Within variation limit provided in the contract / LOA	Full Power	Full Power	Upto an aggregate of 75% of variation limit provided in the contract including approvals at lower levels.		In respect of 16.1(a) for contracts valued at Rs.50.000 and below full powers may be exercised by Sr.Manager and for contracts valued at Rs.25, 000 and below, full powers may be exercised by Manager.
	b) Beyond the variation limit provided in the contract /LOA.	Full Power	Upto an aggregate of Rs.25, Lacs including approvals at lower levels.	Upto an aggregate of Rs10 Lacs including approvals at lower levels		In respect of 16.1(b) for contracts valued at Rs.1 lacs and below technical approval for aggregate variation may be given in full by HOP.
16.2	Approval for issue of change order based on technical approval at 16.1 above, in respect of contract / LOA awarded by Project. a. For quantity variation not requiring rate revision as per Contract / LOA	Full Powers in respect of contracts awarded by him or any lower authority to the extent of his delegation under respective Clause.	Full Powers in respect of contracts awarded by him or any lower authority to the extent of his delegation under respective Clause.	Full Powers in respect of contracts awarded by him or any lower authority to the extent of his delegation under respective Clause.	---	16.2 i) These powers shall be exercised in consultation with Project Finance. ii) In case of negative variation in individual quantity (beyond prescribed limit) full power will rest with the authority next higher to the approving authority. Variances beyond quantity / value variation limit provided in the contracts / LOA shall be reported on monthly basis to HOP , project finance, Corpore Monitoring Cell and concerned Engineer- In-charge. Whenever variances beyond prescribed limit take place, revised rates, (if



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	b. For variation (excluding extra and substituted items) requiring rate revision as per the Contract/LOA	25 lacs in the aggregate including approvals at lower levels	15 lacs in the aggregate including approvals at lower levels.	10 lacs in the aggregate	---	required) will be derived by a committee constituted by D (T) as per contract provisions. In case of negative variation (beyond prescribed limits), lower side of analysed rate and schedule rate will be allowed.
	c. Extra items and substituted items not appearing in the accepted Bill of Quantities	25 lacs in the aggregate including approvals at lower levels	15 lacs in the aggregate including approvals at lower levels.	10 lacs in the aggregate	---	
17	(a) Rejection of Tenders (b) Modification of the terms of Tenders including Specifications etc. after call and before the award of tender.	Same as for approving the Tenders. These powers are to be exercised by the next higher authority that has to approve the tender.				Director(Tech) will however have full power in respect both (a) & (b)
18 18.1	Modification in terms of Contract Having Financial implications, such as payment terms, security deposit and modification in terms of issue of materials from project Stores.	Powers of approving modification upto 5% of the value of original contract or Rs.20 lacs whichever is less in respect of contract approved by him or lower authority.	Powers of approving modification upto 5% of the value of original contract or Rs.10 lacs whichever is less in respect of contract approved by him or lower authority	---	---	Modification of terms shall be made only as a last resort to enable the work being carried out and in consultation with Associate Finance. These powers can be exercised in Project / Corporate office during operation of the contract.



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18.2	Having no financial implications.	Full Power	Full power	Full Power in respect of orders placed himself or lower authority	---	
19	Acceptance of stores under deviation in specifications	Full Power	Full Power	Full Power	---	This shall be done by contracts in consultation with Indenting Deptt. at a level not lower than G.M., to ensure equality and suitability , and thereafter committee consisting of Finance, Indenting Deptt. and contracts to be constituted by the GM /Head of the Project to negotiate for suitable compensation for the deviation.
20	Sanction to pay demurrage/wharfage, to Railways/Sea Port/Air authorities or Road Carriers.	Rs.25,000 in each case subject to a ceiling of Rs.3 lacs per year.	Rs10,000 in each case subject to a ceiling of Rs.2 lacs per year	Rs.3,000 in each case subject to a ceiling of Rs.1 lacs per year	Rs. 1,000 in each case subject to a ceiling of Rs.10,000 per year	Every efforts should be made to get the demurrage / wharfage waived from the railways/Carriers.
21	i)Sanction of disposal of surplus / unserviceable/ obsolete items, equipment and spares. ii)Disposal of Scrap & Misc. Items not covered by disposal policy.	As per the approved disposal policy. Full Powers to Head of Projects not below the rank of DGM.				
22 22.1	Write off: Any items of Stores equipments, office equipments, tools and parts and materials, including adjustments of discrepancies in an item during stock verification.	Upto Rs.10 lacs in each case	Upto Rs.5 lacs in each case	Upto Rs.. 1 lakh in each case	---	



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22.2	a) Any shortage in chemicals, lubricants oils etc. as per the prescribed norms of the manufacturer. (b) Beyond norms	Full Powers as per norms in each case. Full Powers upto 5% above the norms subject to the ceiling of Rs.3 lacs in each case.	Full Powers as per norms in each case. Full Powers upto 3% above the norms subject to the ceiling of Rs.2 lacs in each case.	Full Powers as per norms in each case Full Powers upto 2% above the norms subject to the ceiling of Rs.1 lacs in each case.	----	Subject to investigation and report by a committee constituted by HOP. After the item is written off, the information may be sent to concerned finance for adjustment.
23	Approval of Indenting of stock item by materials Deptt.	Full Power	Full Power	Full Power	10 lacs	These powers shall be exercised by Material Management to maintain minimum stock as per norms to prevent stock out.
24	Approval of indent for issue of materials from stores.	Full Power	Full Power	Full Power	Full Power	For non-stipulated items or items in excess of estimates, approval of HOP will be obtained.
25	Loan of Materials and tool and plant to other Public Sector Undertakings/Govt. departments.	7.5 lacs p.a.	5 lacs p.a.	2 lacs p.a.	---	Subject to adequate security being obtained before loaning the materials.
26	Power to hire equipment /Machinery from contractors/private agencies.	1 crore p.a.	70 lacs p.a.	50 lacs p.a.	---	
27	Purchase of Medicines / Medical Equipments for hospitals / dispensaries of the Corporation.	Full Powers	20 lacs in each case subject to a ceiling of 50 lacs per annum.	10 lacs in each case subject to a ceiling of 30 lacs per annum.	Nil	This power shall be exercised after fulfilling all codal formalities.



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28	Award of contact for consultancy services	50 lakhs	30 lakhs	25 lakhs	Nil	