

Munitions India Limited

Delegation of Financial Powers

WEF 1st Oct 2021

FOREWORD

The financial powers for Munitions India Limited have originated from its parent organisation, namely Ordnance Factory Board (OFB).

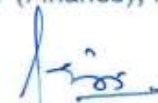
As per these delegated powers, the respective competent financial authorities will exercise their powers for procurement and other activities as defined herein. It is also to be noted that all procurement decisions will be taken at the level of TPC where Chairman of the TPC is the competent financial authority for the procurement case.

The powers will be exercised subject to availability of budget. Exercise of all financial powers would require financial concurrence unless otherwise specifically waived. Apart from these general stipulations, certain specific restrictions are attached to some items of delegations and have been indicated under 'Remarks' column.

While exercising the financial powers, the provisions of relevant procurement manual should be complied with. In these delegated financial powers, wherever 'Full Powers' are indicated, the same will be limited to the ceilings imposed by DPE/ Government of India as revised from time to time.

These financial powers have been resolved and approved by the Board of Munitions India Limited in its 3rd Board Meeting held on 1st Oct 2021 at Pune, and will be effective from 1st Oct 2021.

Finance Division, MIL Hq will be the custodian of these delegations of financial powers. It is possible that some doubts may arise during implementation of these powers by various units under MIL. Finance Division, MIL is authorised to issue any clarification, if required. In case of any difference of opinion, the decision of Director (Finance), MIL will be final.



(Ravi Kant)

Chairman & Managing Director
Date: 1st Oct 2021

ABBREVIATION

AGM	- Additional General Manager
CFA	- Competent Financial Authority
CMD	- Chairman & Managing Director, MIL
DDP	- Department of Defence Production, Ministry of Defence
DGOF	- Director General Ordnance Factories
DDG	- Deputy Director General / Sr Deputy Director General
DGM	- Deputy General Manager
Dir	- Director of Board of MIL
GM	- The General Manager/ Sr General Manager of Ordnance Factory
Jt GM	- Joint General Manager
Jt Dir	- Joint Director
WM	- Works Manager
LTE/OTE	- Limited Tender Enquiry / Open Tender Enquiry
LPC	- Local Purchase Committee
MMTC	- Metals & Minerals Trading Corporation
MIL	- Munitions India Limited
NADP	- National Academy of Defence Production
NC	- New Capital
OFB	- Ordnance Factory Board
OFIL	- Ordnance Factory Institute of Learning
ODC	- Ordnance Development Centre
PFC	- Plant Finalisation Committee
PSU	- Public Sector Unit
RCS	- Regional Controllerate of Safety
RR	- Renewal & Replacement,
STC	- The State Trading Corporation of India
IPL	- Itemized Price List

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**PROCUREMENT
OF
STORES/ GOODS/ SERVICES**

Sl no	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
1	Procurement of all Stores/ Goods and Services (*) which are incidental or consequential to the supply of such Goods such as, Transportation, Insurance, Training and Maintenance	<p>Procurement will be subject to:</p> <ul style="list-style-type: none">(i) Conformance to MIL Procurement Manual as revised from time to time.(ii) availability of budgetary provisions(iii) Financial power is irrespective of currency of payment(iv) In all cases which require approval of Government of India, the proposal to the government shall be forwarded through the respective Director, MIL Hq.(v) For items which hitherto were supplied by Ordnance Factories, procurement from trade will require AON from Director/Operations, MIL Hq.(vi) STORE/GOODS:<ul style="list-style-type: none">a. Inputs and aids for production such as all articles, material, commodity, livestock, furniture, fixtures, raw materials, spares, instruments, equipment, medicines, components, assemblies, sub-assemblies, tools, gauges, jigs, accessories, process materials, production consumables, indirect consumables, IT products/items, software, technology transfer, licences, patents or other intellectual properties purchased or otherwise acquired for the use of Govt. etc. but excludes books, publications, periodicals, etc. for a library.b. Maintenance aids, including spares, tools & tackles, etc.c. (*) Services (production related) which are incidental or consequential to the supply of such goods, i.e. conversion, job-work, packing, unpacking, preservation, transportation, insurance, delivery, maintenance support, technical assessment, consultation, system study, software development, maintenance conservancy, etc. <p>Note: Hiring of labours under category of services mentioned in definition of goods under this head are only applicable for labours engaged in production.</p>					

SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/ Unit		MIL Corporate HQ			
		Authority	Authority	Authority	Extent		
1a	Procurement of Stores/Goods against LTE/OTE or Rate / Running contract placed by MoD or OFB or GeM or MIL or IPL** approved by MoD or procurement of stores from Indigenous Sources/ Foreign Sources or shipping transportation. ** IPL: Itemized Price List	WM/ DGM/ Jt.GM Addl.GM Sr. GM/GM	₹ 2 Cr ₹ 10 Cr Full Powers	GM/Looking after procurement Dir/Looking after procurement CMD	Rs 5 Cr Rs 50 Cr Full Powers	Fin powers irrespective of currency of payment. For any procurement by a unit exceeding total value of Rs 50 Cr, AoN to be obtained from respective Director, MIL before issue of TE.	Yes

SI no	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
1b	Procurement of Stores/ Goods from Indigenous and Foreign Sources (i) on Proprietary Articles Certificate (PAC), (ii) From Single Known Source (SKS), (iii) Against single tender from source nominated by Indentor /Design Agency /Collaborator (iv)Where resultant single acceptable offer is received against LTE/OTE and identified vendors have confirmed receipt of TE.	Addl.GM	₹ 1 Cr	GM/ Looking after Procurement	₹ 1 Cr	Fin power irrespective of currency of payment	Yes (Fy-Finance)/ Corporate Finance
		Sr.GM/ GM	Full Powers	Dir/ Looking after Procurement	Rs 50 Cr	For any procurement processed through (i), (ii) and (iii) by a unit exceeding total value of Rs 20 Cr, AoN to be obtained from respective Director, MIL before issue of TE.	
		All Head of Units (other than Sr GM /GM) only for non-production purpose	₹ 1 Cr	CMD	Full Powers		
1c	Procurement of Stores/Goods against ab-initio single tender in case of urgent requirement	Sr. GM /GM	Rs 5 Lakhs	Respective Director	₹ 5 Cr	Only in case of urgent requirement including to fight against Covid-19 and urgency to be recorded in VSL TPC minutes in defined manner.	Yes (Fy-Finance/ Corporate Finance)
				CMD	Full Powers		

SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
1d	Placement of Development Order for new item of input required for IR&D Project	Sr. GM /GM	₹ 25 Lakh	GM (Looking after R&D) Dir (Looking after R&D)	Rs 2 Cr Full Powers	For new input item of Made to Order (MTO) Category for IR&D project. This provision can be invoked using LTE /ab-initio STE without resorting to OTE	Yes (Fy-Finance/ Corporate Finance)
1e	Placement of Development Order for item to be indigenised	Sr. GM /GM	₹ 25 Lakh	GM (Looking after Indigenisation) Dir (Looking after Indigenisation)	Rs 2 Cr Full Powers	For an item of Made to Order (MTO) Category to be indigenised, This provision can be invoked using LTE/ab-initio STE; without resorting to OTE	Yes
Note for SI. No. 1d and 1e: After successful development of the item, the firm will be considered as “Established Vendor” for the item.							

Sl No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		Corporate HQ			
		Authority	Extent	Authority	Extent		
2	Cash purchase of all Stores/Goods and Services which are incidental or consequential to the supply of such Goods such as, Transportation, Insurance, Training and Maintenance as defined in Procurement Manual.	WM/MM	₹ 2000/-			This power may be invoked in case of stock out condition/ production hold up or urgent maintenance (reasons to be recorded).	No
		DGM/MM	₹ 5,000/-				
		JGM/MM	₹ 10,000/-				
		Addl.GM/MM	₹ 15,000/-				
		Sr.GM/GM	₹ 25,000/-				
Note for Sl. no. 1 & 2 only							
<div><div>i)</div><div>Addl.GM heading purchase function (Material Procurement section) as well as Jt.GM, DGM, WM working under him/her, will exercise such power.</div></div> <div><div>ii)</div><div>Production and Maintenance Officers after obtaining necessary sanction from the Officers responsible for purchase function will complete all associated formalities to position the material on urgent basis.</div></div> <div><div>iii)</div><div>It is also clarified that Production as well as Maintenance Officers do not have the power to approve/sanction Cash Purchase to position direct/indirect items.</div></div>							

Sl no	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
3	Spot Payment for purchase of Stores/ Goods	Addl.GM	₹ 50 Lakh	GM (Looking after Procurement)	Rs 5 Cr	This should be accepted only after other modes of payments are not accepted by the firm. Payment to be made only after full acceptance and delivery of stores.	Yes
		Sr. GM /GM	₹ 1 Cr	Dir (Looking after Procurement)	Full Powers		
4	Purchase of all Stores/Goods and Services which are incidental or consequential to the supply of such Goods such as Transportation, Insurance, Training and Maintenance through Local Purchase Committee (LPC) to meet requirement irrespective of urgency.	Sr.GM/GM	₹ 2.5 Lakh	GM Looking after Procurement	₹ 2.5 Lakh	1. It shall be ensured that procurement qty shall not be spiltted for the purpose of avoiding the tendering process. 2. Hiring of man power services shall ensure compliance to all the rules/ stipulations for such services.	Yes, Concurrence of Head Finance Division attached to the Unit [GM(Fin), HQ for HQ cases] shall be considered as appropriate Financial Advisor for purpose of financial consultation for LPC.
		All Heads of Units	₹ 2.5 Lakh				

PROCUREMENT OF PLANT & MACHINERY

SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
5.	Procurement of Plant & Machinery under New Capital and Renewal & Replacement, including contract for Modification and /or Reconditioning of P&M.	<div><div>(i) A careful appraisal of the proposed investment should be carried out from various angles such as Prioritization of expenditure, scrutiny of demand from the relevant out turn, assurance of reasonable IRR, cost benefit analysis etc.</div><div>(ii) In case of Govt. sanctioned projects under ‘New Capital’ implies that identification of has been done for various categories of P&M, while obtaining sanction. The procurement shall be made in accordance with guidelines/ procedures laid down by MIL.</div><div>(iii) Fin Power is irrespective of currency of payment.</div><div>(iv) <u>Requirement of PFC Approvals:</u><div><div>A. In all cases of P&M Procurement/ Modification/ Reconditioning by manufacturing units exceeding Rs 1 Cr, PFC approval to be obtained by Units from MIL Hq.</div><div>B. For Cases within Rs 1 Cr for manufacturing units-<div><div>a. Demands to be examined and approved by Fy level PFC headed by Sr.GM/GM associating senior most officer of Engg. & User and Finance (who is Member of TPC-I) of the Unit.</div><div>b. The power excludes passenger vehicles and air conditioners.</div><div>c. Factories shall forward the statement of such approvals to MIL Hq under appropriate proforma.</div><div>d. Procurement shall adhere to laid down procedures, CVC guidelines, existing provisions of MIL Manuals, as revised from time to time.</div></div></div><div>C. For all procurement cases of non-manufacturing units, PFC approval, irrespective of value, to be obtained from MIL HQ.</div><div>D. For items required by MIL HQ, all PFC approvals will be accorded by Dir (Looking after Modernisation), in consultation with Finance.</div></div></div></div>					

SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
5a	Procurement, Modification and /or Re-conditioning of P&M through LTE/OTE/GTE under RR and NC	Addl.GM	₹ 5 Cr	GM/ Looking after Modernisation	₹ 10 Cr	Prior PFC approval required as given in 5 above.	Yes
		Sr.GM/GM	Full Powers	Dir/ Looking after Modernisation	₹ 25 Cr		
				CMD	Full Powers		
		Head of NADP	₹ 5 Cr			i) Prior PFC approval required as given in 5 above. ii) Applicable for only training related P&M iii) Capital asset will remain in the charge of NADP	

SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
5b	Procurement, Modification and /or Re-conditioning of P&M on Single Tender/ Resultant Single Tender or Proprietary Items under: RR and NC	Sr. GM/ GM	Full powers	GM/ Looking after Modernisation	₹ 10 Cr	Prior PFC approval is required as given in 5 above.	Yes
				Dir/ Looking after Modernisation	₹ 25 Cr		
		Head of NADP	₹ 1 Cr	CMD	Full Powers	i) Prior PFC approval is required as given in 5 above ii) Applicable for only training related P&M iii) Capital asset will remain in the charge of NADP	

SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
6	Erection & Commissioning of P&M (both under RR and NC) including installation of Services, e.g. distribution of Steam, Compressed Air, Oil etc - Departmentally.	Addl.GM Sr. GM /GM, Head of NADP	₹ 25 Lakh Full power	GM/ Looking after Modernisation	Full Powers	Prior PFC approval is required as given in 5 above. To be exercised by Head of NADP & for P&M belonging to capital block register of NADP & subject to budget provision.	Yes
7	Erection & Commissioning of P & M, (both under RR and NC) including installation of Services, e.g. distribution of steam, compressed Air, Oil etc - through Contract.	Addl.GM Sr. GM /GM, Head of NADP	₹ 10 Lakh Full Powers	GM/ Looking after Modernisation	Full Powers	Prior PFC approval is required as given in 5 above.	Yes

SI No	Nature of Power/ Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
8	Repair of MT vehicles including Motor Cycles, Dispensary Ambulance vehicles all Material Handling equipment - through Contract.	Jt.GM/ DGM	10,000	Designated Officer of HQrs	Full power (within limits of economical repairs)	To be exercised for MT vehicles belonging to capital block register of respective unit. Subject to competitive tendering, provided that cost of repair does not exceed 20% of market value of the item. In all such cases an estimate would be prepared and vetted by Finance Division of Unit before issuance of Tender for conclusion of contract.	Yes [Financial Concurrence not required up to ₹ 5000/-]
		Addl.GM	1 Lakh				
		Sr. GM/GM	Full Powers				
		Head of NADP & OFIL	Rs 1 Lakh				
9	Scientific equipment/ laboratory equipment, Test and Measuring instruments /Systems for Quality Control, Quality Assurance and Data Acquisition	Sr.GM/GM	₹ 25 Lakh in each case	GM/ Looking after Procurement	₹ 25 Lakh in each case	Procurement beyond ₹25 Lakh to be processed through respective PFCs of P&M.	Yes

SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
10	Sanction for expenditure under RR & NC in excess of amount sanctioned by respective PFC.	Sr.GM/GM	Full Powers	GM/Looking after Modernisation	Full Powers	(i) The revised value of procurement is within powers of PFC approval by unit as mentioned at Para 5 above, (ii) Requisite fund is available and (iii) The Purchase is not a Resultant Single Tender case. (iv) For cases with revised value exceeding PFC powers of Unit, approval of respective PFC approving authority of the revised value to be obtained.	Yes
11	Sanction of expenditure in excess of original sanctioned amount by Govt.	Sr.GM/ GM	Up to 15% of sanctioned value or ₹ 2 Cr, whichever is less	Dir/ Looking after Modernisation	Full Powers	All such excess expenditure sanctions to be informed by Units to MIL Hq in the requisite format.	Yes

**DELIVERY PERIOD, LD, SD,
ADVANCE PAYMENT & PAC**

SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate			
		Authority	Extent	Authority	Extent		
12	Extension of Delivery Period and Waiving off Liquidated Damages (LD)	Extension in Delivery Period shall not be given in cases where higher rate has been paid/contracted for earlier delivery.					
		WM	Full Powers (As per the power of TPC which concluded the contract)	GM	Full Powers (As per the power of TPC which concluded the contract)	As per provisions of Procurement Manuals of Stores and P&M.	Yes, only in cases where LD is being waived off.
		DGM		Dir			
		JGM					
		AGM		CMD			
		Sr. GM /GM/ All Heads of Units					
13	Waiving off Performance Security Deposit (PSD)	WM	Full Powers	GM	Full Powers	As per provisions of Procurement Manuals of Stores and P&M.	Yes
		DGM	(As per the power of TPC which concluded the contract)	Dir	(As per the power of TPC which concluded the contract)		
		JGM					
		AGM		CMD			
		Sr. GM /GM/ All Heads of Units					

SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
14	Lodging of Security Deposits with suppliers of Gas Cylinders.	Sr. GM /GM/ Heads of all Units	Full power	Designated Officer of HQrs	Full power		Yes
15	Issue of Proprietary Article Certificate (PAC)/ Single Known Source (SKS) Certificate for purchase	Sr. GM /GM/ Heads of all Units	Full power	Designated Officer of HQrs	Full power	As per provisions of Procurement Manuals of Stores and P&M.	Yes
16	Advance payment to suppliers.	Sr. GM /GM/ Heads of all Units	Not exceeding 15% of Contract value	Respective GM	Not exceeding 15% of Contract value	i) Subject to provisions of respective Procurement Manuals ii) Subject to receipt of Bank guarantee for 110 % of the advance amount.	Yes
17	Advance payment to Private as well as PSU Oil Companies.	Sr. GM /GM/ Heads of all Units	Full power (Up to 100% of their Financial powers for local purchase of Oils & Lubricants)	GM/ Looking after Procurement	Full power (Up to 100% of their Financial powers for local purchase of Oils & Lubricants)		Yes

SI No	Nature of Power / Reference	Delegation				Remarks	Consulation with Finance
		Factory/Unit		MIL Corporate			
		Authority	Extent	Authority	Extent		
18	Contractual advance payment as per contracts where such advance payments are to be made to Electricity Boards and Companies, Municipalities, Public Sector Undertakings and Autonomous Bodies under Central and State Govt and Local Bodies like Jal Nigam and space hired for office accommodation.	Sr.GM/GM	Full Powers	GM/ Looking after Procurement	Full Powers		Yes
19	Stage Payments	Authority - Dir (Ops), MIL Upto 50% of CIF Value. This is admissible on drawl of proof samples and subject to production of Bank guarantee for the amount. Where the proof samples of a lot fail in proof, interest will be charged on stage payments at the prevailing rates on Bank loans until the stage payment is recovered from Bank guarantee. i) This power should be exercised only in rare cases and should not be used as a matter of routine. ii) This power is not sub-delegated to the Units. iii) The exercise of this power will be subject to securing appropriate price reduction and ensuring adequate safe guards in the form of Bank guarantees etc. iv) The existing delegation up to 2% of CIF Value for other advance payments, earnest money and provisional payments will continue.					Yes

**ISSUE OF ITEMS
ON RETURNABLE
&
NON-RETURNABLE BASIS**

SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate			
		Authority	Extent	Authority	Extent		
20	Issue of capital items including vehicles for repair and overhauling to Private Firms, State Undertakings and Govt. Depts.	Sr.GM/GM	Full Powers	Respective GM	Full Powers	For such issues it is required to obtain Security Deposit equivalent to Book Value or Market value plus 5% on the inclusive rate. In the case of PSUs/ Govt Depts/ Firms of repute, Indemnity Bond may be accepted on consideration of merit.	Yes
21	Issue of Stores and Materials from factory stock to Private Firm, Govt. Dept. and State Undertakings subject to recovery or adjustment of cost thereof as computed by Finance and Accounts Section of Unit.	Sr.GM/GM	Full Power	Respective GM	Full Powers	For such issues it is required to obtain Security Deposit equivalent to Book Value or Market value plus 5% on the inclusive rate.	Yes
22	Air Lifting of Stores - Within India/ Abroad	Sr.GM/GM	Full power	Respective GM	Full Powers	Subject to the provisions that necessary control is exercised in case of Air-lifting of stores and it should be resorted to only in case of extreme urgency.	Yes

Munitions India Limited

DESPATCH OF STORES

SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
23	Collection/ Despatch of items by other than the shortest route or cheapest mode of carriage.	Addl. GM Sr.GM/GM	₹ 3 Lakh in each case Full Powers	Respective GM	Full Powers	Subject to rendering a certificate that such dispatch is necessary to maintain continuity of production.	Yes
24	<p>i. Issue of samples/components of items of import origin to Indian vendors as loan for indigenous development:- General Manager of Factories can issue store/material/components as loan against Security Deposit equivalent to book value or market value, whichever is higher plus 5% over the book/market value plus another 5% on the inclusive rate. These will be returnable within six months from the date of issue. In exceptional cases, however, the Sr. GM/GM of Factories may extend this period up to one year (other than critical and perennial imported items) / one and half years (critical and perennial imported items) for reasons to be recorded in writing. If the loan is not returned within this specified time, the security deposit should be forfeited and the transaction closed.</p> <p>ii. Items in short supply may not be issued on loan. However, for critical and perennial imported items/components, samples may be issued to potential Indian vendors for a reasonable period as mentioned above, to promote Make in India. Sr. GM/GM can issue samples of critical / perennial imported items of any value duly supported by Security Deposit. Developed sample, handed over by the firms, may be tested by concerned Factory on NCNC basis. Transaction in this regard will be made strictly as per the SOP. (issued by OFB/MM vide letter No.10/6/Del.Fin.Power/MM(P&C) dated 28.06.2017 and any changes brought out by MIL Hq from time to time</p> <p>iii. Sr. GM /GM can issue store/material to private firms as assistance towards completion of orders placed on the firms for supply to factories, against the security deposit equivalent to book value or market value, whichever is higher, plus 5% over the book/market value plus 5% on the inclusive rate. On completion of order by the firm, the transaction will be adjusted as a payment issue. If any portion of the store issued to the firm is returned to the factory, as not consumed for the order, a proportionate refund of the security deposit will be afforded to the firm.</p> <p>iv. In case of items of issues ex-manufacture by OFs as assistance programme, the price will be fixed by taking maximum estimated cost plus 20% of the same to cover contingencies.</p>						

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| | <ul style="list-style-type: none"> v. The Sr. GM /GM can also issue the stores/materials as assistance towards completion of orders placed on another Dept. of Central/State Govt. and State Undertaking at book value or market value, whichever is higher, plus 5% as departmental charges. On completion of the orders the transaction will be adjusted as payment issue. vi. In cases of items of issue ex-manufacture by OFs as assistance programme, the price will be fixed by taking maximum estimated cost plus 20% of the same to cover contingencies. vii. The Sr. GM /GM can issue stores/ materials to private firm for fabrication/manufacture of the product/completion of order against the security deposit equivalent to book value or market value whichever is higher, plus 5% over the book/market value, plus another 5% on the inclusive rate. In exceptional circumstances and in the case of well established and reputed firms, Sr. GM /GM may waive security deposit if they are satisfied that the Govt. interests are adequately safeguarded. viii. In case of items of issue ex manufacture by OFs as assistance programme, the price will be fixed by taking maximum estimated cost plus 20% of the same to cover contingencies. ix. Sr. GM /GM can also issue stores/ materials from the factory stock to other department of the Central/State Govt. and State Undertaking for fabrication of stores/components without security deposit for the execution of contract entered into by them under their financial powers. They will, however, ensure that such stores are used only for execution of particular contract of the Sr. GM /GM. x. Sr. GM /GM can also issue instruments and machines other than capital items, to well established and reputed firms, State undertaking and Govt. Departments for repair/ overhauling without any security deposit if they are satisfied that Govt. interest is adequately safeguarded. |
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DISPOSAL

(SERVICEABLE & UNSERVICEABLE ITEMS)

SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate			
		Authority	Extent	Authority	Extent		
	a) Disposal procedure as laid down in P&MM Division Circular No. 212/2/MM dated 15.06.1981, Circular No. 14/4/LP/Policy/MM/Stores dated 22.03.2018 or modified from time to time may be followed. b) The disposal shall be effected by Public Auction done through MSTC/MoD Nominated agency. Open Tender/ Limited Tender may be resorted to with the proper justification and prior approval of concerned Dir/MIL. c) Rate/Running Contract may also be concluded with the prior approval of concerned Dir/MIL.						
25	Declaration of Serviceable Stores as Surplus	Sr.GM/GM	Full Powers	Respective GM	Full Powers	1. The power is for declaration of surplus for further disposal subject to recommendation of the Stock Review Committee. 2. For service-able stores, a loss statement required to be generated.	Yes
26	Declaration of Unserviceable Stores- Scrap, Swarf, Obsolete and Waste Material	Sr.GM/GM	Full Powers	Respective GM	Full Powers	The power is for declaration of surplus for further disposal subject to recommendation of the Stock Review Committee.	Yes
27	Declaration of Unserviceable Plant & Machinery beyond economic repair.	Sr.GM/GM	Full Powers	Respective GM	Full Powers	Before declaring any item of P&M as unserviceable and surplus, all avenues for its cost-effective reconditioning have to be explored.	Yes

SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate			
		Authority	Extent	Authority	Extent		
28	Declaration & Disposal of Surplus, serviceable Plant & Machinery.	Sr.GM/GM	₹ 20 Lakhs	GM/ Looking after Modernisation	Full Powers	Subject to the condition that normal procedure of disposal is resorted to.	Yes
29	Disposal of Serviceable/ Unserviceable Stores, Scrap, Swarf, Obsolete and Waste Material.	JGM/DGM	₹ 1 Cr per case	Respective GM	Full Powers	Subject to condition: 1. Declaration of serviceable/unserviceable stores. 2. Normal procedure of disposal to be followed.	Yes
		Addl.GM	₹ 5 Cr per case				
		Sr.GM/GM	Full Powers				
30	Disposal of Unserviceable Plant & Machinery beyond economic repair.	JGM/DGM	₹ 1 Cr per case	Respective GM	Full Powers	Subject to condition: 1. Declaration of serviceable/unserviceable stores. 2. Normal procedure of disposal to be followed.	Yes
		Addl.GM	₹ 5 Cr per case				
		Sr.GM/GM	Full Powers				
31	Waiving of Ground Rent	Sr.GM/GM	Full Powers	Respective GM	Full Powers	1. The reason for waiver of ground rent will be recorded in clear terms and approved by Sr. GM /GM. 2. Also applicable for rejected stores/ P&M supplied by vendors, lying in factory premises as per respective OFB procurement manual.	Yes

CIVIL TRADE / EXPORTS

SI No	Nature of Power/ Reference	Delegation				Remarks	Consultatio n with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
32	Pricing of MIL products against Civil Trade	Sr. GM/ GM	Full powers (For quoting Prime Cost (DL + DM) plus 20 % of Total OH subject to MOD letter No. 1/4/1/55/D (Prod) dtd 28. 10.1957 as amended)	Respective Dir	Power to quote minimum price to include DM + 50% of DL + Cost of Spl. Tools, if any, + Cost of Spl. Packing, if any, + Cost of utilities e.g. power, water, fuel, etc, wherever such cost exceeds 8% of Direct Material + suitable provision for LD.	Yes	
33	Pricing of OFB products against Export	---	---	Respective Dir	Power to quote minimum price to include DM + 50% of DL + 8% FOB charges + agency commission + suitable provision for LD.	Yes	
34	Rectification/ Replacement after issue to Civil Trade/ Export	Sr. GM /GM	Full powers (As per contractual obligations)	Respective Dir	Full Powers for requirements beyond contractual obligations	Yes	

SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
35	Issue of consumable free samples which are likely to be expended in trials.	Sr.GM/GM	Full Powers			Expenditure incurred for various products under these powers are to be kept in view while pricing the respective products to be exported.	Yes
36	Issue of samples of non-consumable items for trials on returnable basis.	Sr.GM/GM	Full Powers				Yes
37	Expenditure for transportation of samples such as shipping costs, insurance, agency charges etc.	Sr.GM/GM	Full Powers				Yes
38	Supply of free samples to customers	Sr.GM/GM	Full Powers			Subject to recording of reasons	Yes
39	Incidental Expenditure towards Customers hospitality for Sales promotion	Sr.GM/GM	₹ 1 Lakh	GM/Looking after Export All Directors CMD	₹ 1 Lakh ₹ 2 Lakh Full Powers	Powers are per case, within available budget.	Not Required up to ₹ 40,000
40	Expenditure on Advertisement & Publicity	Sr.GM/GM Head of Other Units	Full Powers Full Powers	Respective GM	Full Powers		Not necessary up to ₹5,000/- in each case.

**EXPENDITURE
ON CIVIL WORKS,
SCHEMES &
PROJECTS AND RELATED
ACTS**

SI no	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
	Till further instructions, the procedures/ SOP for Civil Works followed hitherto by Indian Ordnance Factories will continue to be followed by MIL and its Units.						
41	Issue of Acceptance of Necessity & Administrative Approval (MES and Departmental works) and placement of contract (Departmental contracts only) for capital civil works for Ammunition magazines, Production buildings. Production Buildings include buildings/ installations required for support services etc. which are directly related to production activities.	Addl. GM Sr. GM /GM	₹1 Cr. (for placement of departmental contract only)* ₹5 Crs (for placement of departmental contract only)*	Dir/ Looking after Modernisation CMD	₹ 25 Crs in each case Full Powers	For Fys i) In all cases, Acceptance of Necessity (AON) to be approved by concerned Dir/Looking after Modernisation in the form of Annual Civil Plan (ACP). ii) Capital Civil works include new civil works & special repairs. iii) Admin Approval (AA) will be issued by respective Heads of Units on the basis of approved Annual Civil Plan (ACP), Board Proceedings and Detailed Estimates irrespective of financial value of the case and within approved cost as mentioned in Annual Civil Plan. iv) Direct contract to be finalised through competitive tendering after approval of competent authority v) The power for revision of Admin Approval will be limited to an upward variation of 10% of the financial value of original Admin Approval, within the financial powers delegated under this item.	Yes
*Note: Departmental Contract means the contracts placed by MIL/Units as per procedure brought out at para 8.0 of SOP for Civil Works in Ordnance Factories 2019.							

SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
42	Issue of Acceptance of Necessity & Administrative Approval (MES, Central Public Works Department/ Other Govt. agencies and Departmental works) and placement of contract (Departmental contracts only) for capital Civil works for other than production buildings including roads but excluding residential accommodation and amenity buildings.	Sr. GM /GM	₹3 Cr. (for placement of departmental contract only) *	GM/Looking after Modernisation	₹ 3 Crs	For Fys i) In all cases, Acceptance of Necessity (AON) to be approved by Dir/ Looking after Modernisation in the form of Annual Civil Plan (ACP). ii) Capital Civil works include new civil works & special repairs. iii) Admin Approval (AA) will be issued by respective Head of Unit on the basis of approved Annual Civil Plan (ACP), Board Proceedings and Detailed Estimates irrespective of financial value of the case and within approved cost as mentioned in Annual Civil Plan. v) Direct contract to be finalised through competitive tendering after approval of competent authority as mentioned in col.3 to col.6. vi) The power for revision of Admin Approval will be limited to an upward variation of 10% of the financial value of original Admin Approval, within the financial powers delegated under this item.	Yes
Head of NADP	₹1 Crs (for placement of departmental contract only) *	Dir/ Looking after Modernisation	₹ 15 Crs in each case				
			CMD	Full Powers			
*Note: Departmental Contract means the contracts placed by Ordnance Factory/unit as per procedure brought out at para 8.0 of SOP for Civil Works in Ordnance Factories 2019.							

Sl no	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
43	Issue of Acceptance of Necessity & Administrative Approval (MES and Departmental works) and placement of contract (Departmental contracts only) for capital Civil works for MIL HQ Building	--	--	Dir/ Looking after Modernisation 			

SI no	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
45	Issue of Acceptance of Necessity & Admin Approval (MES & Departmental works) and Direct contract (Departmental works) for Revenue Civil work	Addl. GM	₹ 20 Lakh	GM/ Looking after Modernisation	₹ 5 Cr	i) Direct contract to be finalised through competitive tendering.	Yes
		Sr. GM /GM	₹ 1 Cr			ii) The power for revision of Admin Approval will be limited to an upward variation of 10% of the financial value of original Admin approval, within the financial powers delegated under this item.	
		All Heads of Other Units	₹ 50 Lakh	Dir/ Looking after Modernisation	₹ 10 Cr		
				CMD	Full Powers		
46	Issue of Acceptance of Necessity & Admin Approval (MES & Departmental works) and Direct contract (Departmental works) for Periodical Service of buildings.	Addl. GM	₹ 1 Cr	GM/Looking after Modernisation	Full Powers	i) Direct contract to be finalised through competitive tendering.	Yes
		Sr. GM /GM	Full powers			ii) The power for revision of Admin Approval will be limited to an upward variation of 10% of the financial value of original Admin approval, within the financial powers delegated under this item.	
		All Heads of Other Units	Full powers				
Note: For definition of ‘Capital Works’, please refer to Para 212 of Chapter -IV of MES Regulations,2007							

SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
47	Demolition of Buildings	Sr. GM /GM	₹ 10 Lakh in each case within the Factory/Estate through contract by tendering. All Sr GM/GMs would have Full powers for demolition/ disposal of condemned buildings through Public Auction.	GM/ Looking after Modernisation Dir/ Looking after Modernisation	₹ 2 Cr Full power to sanction sale or dismantlement of Public buildings (other than a purely temporary structure).		Yes

SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
48	Issuance of Admin approval for execution of Civil Works against MOD/DDP/MIL sanctioned projects.	All Head of Units	Full power including issuance of admin approval for Civil works sanctioned by MOD/DDP/MIL, provided the works are proposed to be executed through MES/ DRDO/ Public Works Organisation (PWO)	GM/ Looking after Modernisation	Full power including issuance of admin approval for Civil works sanctioned by MOD/DDP/MIL, provided the works are proposed to be executed through MES/ DRDO/ Public Works Organisation (PWO)	(i) Completion cost of project shall be limited to sanctioned cost or re-appropriated cost for civil works. (ii) Admin Approval cost of projects can be issued to MES/ DRDO/ Public Works Organisation (PWO) for engagement of consultant for design activities, provided the expenditure can be met from total sanctioned including contingency.	Yes
49	Re-appropriation within a "project sanction" of amount debitable to the same "demand for grant" between plant & equipment and civil works and vice versa.	---	---	Dir/ Looking after Modernisation	Full power within the sanctioned cost of the project, enhanced within the original limits		Yes

SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
50	Re-appropriation of buildings entailing no alteration and no cost.	Sr. GM/ GM	Full Power	GM/ Looking after Modernisation	Full Power		Yes
51	Expenditure from the Estate Fund for "Direct Development" and "Upkeep of Estate". (See note below)	Sr. GM /GM	Up to ₹ 2 Lakh in each case subject to the ceiling of total annual receipts	---	---		Yes
52	Testing of Building, Structures etc. in connection with issue of annual stability certificate to the State Authorities.	Sr. GM /GM/ Head of Other Units	Full power for testing by Govt. Depts/ PSUs and Autonomous Institutions	GM/ Looking after Modernisation	Full power for testing by Govt. Depts/ PSUs and Autonomous Institutions		Yes
53	Cutting of Grass Wild Growth in Factories/ Estate and inside Institute & Hostel premises of NADP/OFILS through Contract.	Sr. GM /GM And Heads of Units	Full Powers	GM/HR	Full Powers	Subject to contract action being based on competitive tendering	Yes

Note: The items of works which come within the scope of "Direct Development" and "Upkeep of the Estate" are as under:

- a) Provision, Upkeep and Maintenance of Gardens, Parks in the Estate.
- b) Provision, Upkeep and Maintenance of Children's Park and Play Ground.
- c) Provision, Upkeep and Maintenance of Sports Grounds/Stadium.
- d) Provision, Upkeep and Maintenance of Open Air Theatre in indoor halls.
- e) Upkeep and Maintenance of Estate.
- f) Development and Maintenance of Arboriculture.
- g) Provision and Maintenance of Stalls, market etc.

EXPENDITURE ON RESEARCH & DEVELOPMENT

SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
54	Sanction of expenditure for applied Research & Development for carrying out product & process improvement and development of New products.	Sr. GM/ GM	₹ 1 Cr per project within budget provision (subject to approval of R&D finalization committee)	GM/ Looking after R&D Dir/ Looking after R&D CMD	₹ 5 Cr ₹ 15 Cr Full power	The power is for expenditure in the areas of process and product improvement, cost reduction and product development.	Yes
55	Sanction of additional expenditure for the Sanctioned R&D Projects	Sr. GM /GM	Limited to additional 100 % of the original sanction cost. Total revised value of project (original value + additional value) should not exceed the financial power of Sr.GM/GM for sanction of expenditure of R&D.	GM/ Looking after R&D Dir/ Looking after R&D	₹ 5 Crs Full Powers	The power is for expenditure in the areas of process and product improvement, cost reduction and product development	Yes

SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
56	Sanction of Extension of PDC for Sanctioned R&D Projects	Sr. GM /GM	Upto 2 yrs from the date of sanction for projects sanctioned by Sr.GM/ GM	GM/ Looking after R&D	1. Full power for project sanctioned by Sr. GM/GM/ Head of ODCs 2. Upto 3 years for the projects sanctioned by Dir/ Looking after R&D		No
				Dir/ Looking after R&D	Full Powers		
57	Approval of Closure/ Short Closure of IRD Projects	-----	-----	GM/ Looking after R&D	₹ 5 Cr		Yes
				Dir/ Looking after R&D	Full Powers		

REGULARISATION OF LOSSES

SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
58	Loss of Stores not due to theft, fraud or neglect.	Addl. GM	₹ 1 Lakh per case	Dir/Ops	₹ 50 Lakh per case	Sr. GM/ GM to forward half yearly report to MIL, convening BOE to investigate the loss.	Yes
		Sr. GM /GM	₹ 10 Lakh per case	CMD	Full Powers		
59	Cash Loss not due to theft, fraud or neglect.	Sr. GM /GM	₹ 2.5 lakh per case	Dir/Ops CMD	₹ 10 lakh per case Full Powers	Sr. GM /GM to forward half yearly report to MIL, convening BOE to investigate the loss.	Yes
60	Loss of stores due to theft, fraud or neglect.	Sr. GM /GM	₹ 5 Lakh per case	Dir/Ops CMD	₹ 20 Lakh per case Full Powers	Subject to convening BOE to investigate the loss.	Yes
61	Cash Loss due to theft, fraud or neglect.	Sr. GM /GM	₹ 1 Lakh per case	Dir/Ops CMD	₹ 5 Lakh per case Full Powers		Yes

SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
62	Waiving of irrecoverable compensation or loss arising due to failure of contracts, refund claims on Customs, Railways, Port Trust, Shipping companies etc not due to negligence of staff.	Sr.GM/ GM	₹ 5 Lakh per case	Dir/Ops CMD	₹ 15 lakh in each case Full Powers	(a) All cases in which waiver is granted are to be reported annually with brief justification. (b) The waiver of loss will, inter-alia, take into accounts the specific terms & conditions, contained in the contract.	Yes
63	i) Sanction for demurrage, wharfage ii) Regularisation/Settlement of demurrage (container detention charges)	Sr. GM /GM All Heads of Other Units	₹ 5 Lakh in each case ₹ 1 Lakh in each case.	Dir/Ops	Full Powers	Monthly report to be submitted to MIL	Yes

SI No	Nature of Power/ Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
64	Loss due to rejection in manufacture (Excluding development stage)	Sr. GM /GM	Upto an additional 50% of Unavoidable Rejection percentage catered in the standard estimates subject to:- (a) ₹ 10 Lakh where there is no negligence. (b) ₹ 2 Lakh where there is negligence.	Dir/Ops CMD	Upto an additional 100% of Unavoidable Rejection percentage provided in the standard estimates subject to:- (a) ₹ 5 Cr where there is no negligence. (b) ₹ 2 Cr where there is negligence. Full Powers		Yes
Note: The delegation is subject to the condition that reason for irrecoverable losses and unavoidable losses due to rejection are to be fully investigated and placed on record and that remedial action taken to prevent recurrence and to reduce unavoidable rejection in manufacture in future should also be placed on record.							

Munitions India Limited

CONSULTANCY

SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
65	Engagement of individual as consultant /specialist (Including Doctor for dispensary)	Sr. GM /GM and Heads of Units	₹ 5 Lakhs per case	Dir/HR CMD	₹ 20 Lakhs per case Full Powers		Yes Financial concurrence not required upto ₹ 40,000 in one contract
66	Engagement of agencies to render services in specialised areas such as finance, legal, taxation, HR etc.	Sr. GM /GM and Heads of Units	₹ 50 Lakhs per case	Dir/HR CMD	₹ 2 Cr per case Full Power		Yes Financial concurrence not required upto ₹ 40,000 in one contract

CONTINGENT MISC & GENERAL MATTERS

SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
67	Miscellaneous & Contingent expenditure (both recurring and non-recurring)	Addl.GM/MM Sr. GM /GM, Heads of Units	₹ 5 Lakh Full Powers	GM/HR	Full Powers	AON to be obtained from Sr.GM/GM/Head of Unit	Not necessary up to ₹ 40,000/-
68	Awards for effecting economy in manufacture	Sr. GM /GM, Heads of Units	₹ 5,000 per individual	GM/HR Dir/HR	₹ 5,000 Full Powers		Not required upto ₹ 5,000
Note: 1. If the value of such cases exceeds ₹40,000 (Rupees Forty Thousand), cases will require Financial Concurrence. 2. If the case file contains a few recommendations each exceeding the upper limit of ₹ 5,000 but within the financial power of Sr.GMs/GMs/Heads of Unit, those recommendations will only be sent to Finance for concurrence.							
69	Award of Long Service Badges (Service Medal) after completion of 25 years of service and Gold Plated Silver medals at the time of retirement/ superannuation to be given to employees.	Addl.GM/MM	₹ 2000 per individual	GM/HR	₹ 2000 per individual	Spouse of the deceased employee who die in harness will also be posthumously awarded with Gold plated Silver Medal.	Yes

SI No	Nature of Power / Reference	Delegation				Remarks	Consultatio n with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
70	Issue of Protective Clothings and other items of Physical Protection of Employees	Addl.GM/MM	Full Powers	GM/HR	Full Powers	As per laid down scale. AON to be obtained from Sr.GM/GM/ Head of Unit	Yes
71	Compensation under the Workmen's Compensation Act.	Sr. GM /GM	Full power upto the ceiling prescribed in WC Act for all employees defined as "Worker" of the Factory.	GM/HR	Full power upto the Ceiling Prescribed in Workmen's Compensation Act		Yes
72	Grant of Ex-gratia financial assistance to Ordnance Factories Employees /their families in accidents in Factory while on duty: i) In case of death - grant to family ii) In case of Serious injuries - grant to the employees	Sr. GM /GM Sr. GM /GM	₹ 25 Lakh in each case ₹ 1 Lakh in each case	Dir/HR Dir/HR	₹ 25 Lakh in each case. ₹ 1 Lakh in each case.	Will exercise his discretion on the merit of each case. All employees being govt employees on deemed deputation, authority for Ex-gratia will be Directorate/ DDP	No

SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
73	Authorisation of Provisional Payment	Sr. GM /GM, Heads of Unit	Full power wherever payments are prima facie clearly due	GM/HR	Full power wherever payments are prima facie clearly due		Yes
74	Admitting time-barred claims	Sr. GM /GM, Heads of Unit	Full Powers upto 3 years	Respective Directors	Full Powers		Yes
75	Waiving of time-barred claims including those which cannot be investigated by Audit Authorities due to non-availability of records.	---	---	CMD GM/HR GM/ Looking after Proc. GM/ Looking after Modn.	6 Years Upto 5 years on Administrative matters Up to 5 years (Stores purchase cases) Up to 5 years (P&M purchase cases)	Government sanction will be required where a claim becomes time barred under the provisions of any law of limitation.	Yes

SI No	Nature of Power / Reference	Delegation				Remarks	Consulta tion with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
76	Powers to waive over-payment of Pay & Allowances.			Director/HR	Full Powers		Yes
77	Re-appropriation of Accommodation for School, W.W.A., Bank and other Welfare activities.	---	---	Director/HR	Full Powers		Yes
78	Leasing out of Land in Ordnance Factory to Kendriya Vidyalaya Sangathan. (Subject to the conditions that it will be regulated in accordance with the General Orders issued by M of D, QMG in regard to Lease of Land)	---	---	Director/HR	Full power		Yes

Munitions India Limited

SI No	Nature of Power / Reference	Delegation				Remarks	Consultat ion with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
79	Hiring of Office accommodation and accommodation for amenity purposes (Mess, Guest House, Holiday Homes etc.)	--	---	Dir/HR CMD	Rs 5.0 Cr Full Powers		Yes
80	Cash purchase including Services to be booked under I&M head (for purpose other than production & maintenance) in each case.	WM DGM JT. GM Addl.GM Sr.GM/GM/ Heads of Unit	₹ 2,000 ₹ 5,000 ₹ 10,000 ₹ 15,000 ₹ 25,000	Addl.GM/ Jt.GM GM	₹ 15,000 ₹ 25,000	Also applicable to equivalent ranks in establishments other than the factories	No
81	Uniform for Employees.	Sr.GM/GM/ Heads of Unit	Full Powers	GM/HR	Full Powers	See note below.	No
	Note: Where authorised scales have been laid down. 2. Any unauthorised item or an item for which there is no prescribed scale shall be referred to the GM/HR, Hq for approval. 3. All purchase shall be made either against Rate Contract /GeM or on the basis of competitive tendering						

Sl no	Nature of Power / Reference	Delegation				Remarks	Consultati on with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
82	Purchase of Book: Technical, Professional, Scientific & other categories of Books, Periodicals, Journals & e-books.	Addl.GM/MM Sr.GM/GM/ Heads of Unit	₹ 1 Lakh Full Powers	GM/HR	Full Powers		Not necessary upto ₹ 5000
83	Contract for upkeep/ Maintenance of Office and Govt. property including conservancy and Kitchen & Catering Services but excluding Civil Works.	WM/ DGM/ Jt.GM Addl.GM Sr.GM/GM Heads of Other Units	₹ 50 Lakh ₹ 2 Cr Full Powers ₹ 2 Cr	GM/Looking after Procurement	Full Powers	Procurement to be made through GeM. Powers at all Units to be exercised by respective officers looking after material procurement through TPC. AON from Sr.GM/ GM/ Head of Units is to be taken. Provisions of contract labour Act to be complied.	Yes
84	Manufacture of Components and Semi for stock towards anticipated services.	Sr.GM/GM/ Heads of Unit	₹50,000/-	GM/Ops	Full Powers	Not applicable to obsolescent and perishable items	Yes
85	Contracting for testing of items/sub-assemblies at Govt. Test House/ NABL accredited labs	Addl. GM/QC Sr.GM/GM/ Heads of Unit	₹ 20,000 each case Full Powers	GM/ Addl.GM (looking after Quality)	Full Powers		Yes

HRD AND TRAINING

SL NO	Nature of Power/Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
86	(a) Nomination of Employees to training/ seminar:						
	(i) Govt./Semi Govt. Institutes within India without course fee	Sr.GM/GM/ Head of Unit	Full Power	GM/HR	Full Power		Not necessary
	(ii) Govt./Semi Govt. Institutes within India with course fee	Sr.GM/GM/ Head of Unit	₹80,000 Per Course	a) GM/HR b) Dir/HR	₹80,000 Per Course Full Power		Not necessary up to ₹40,000
	(iii) Non Govt./External Institutes within India without course fee	Sr.GM/GM/ Head of Unit	Full Power	GM/HR	Full Power		Not necessary
	(iv) Non Govt./External Institutes within India with course fee	Sr.GM/GM/ Head of Unit	₹80,000 Per Course	a) GM/HR b) Dir/HR	₹80,000 Per Course Full Power		Not necessary up to ₹40,000

SL NO	Nature of Power/Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
	(v) Nomination of Officers from the Organisation to long term training in reputed national Institute like, NDC, IIPA, DIAT, DSSC, IIM, MDI etc. as per the policy guidelines of OFB.	--	--	Dir/HR	Full Power	Group- A officers	Not necessary up to ₹40,000
	(vi) Any long-term/short-term training in Foreign Country	--	--	CMD	Full Power		Yes

SL NO	Nature of Power/Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
	(b) Conduction of training (Regular/Distance mode with/without campus exposure) for skill and specialized knowledge upgradation: (i) Design/Conduction of Product and process specific training for skill upgradation, relevant to the Factory in Factory premises with reputed Govt./National Institutes under intimation to HR/MIL (ii) Conduction of training at OFIL with faculty assistance from/collaboration with external Institutes. (iii) Conduction of training at NADP with faculty assistance from/collaboration with external Institutes.	Sr. GM/GM	₹10,00,000 Per Course	Dir/HR	Full Power		Not necessary up to ₹40,000
		Head of Unit	₹2,00,000 Per Course	Dir/HR	Full Power		Not necessary up to ₹40,000
		Head of Unit	₹5,00,000 Per Course	Dir/HR	Full Power		Not necessary up to ₹40,000

SL NO	Nature of Power/Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
	(iv) Conduction of any long-term/short-term training with reputed Institutes in regular/distance mode with/without campus exposure by NADP.	Head of Unit	₹5,00,000 Per Course	Dir/HR	Full Power		Yes Necessary
	(v) Conduction of any long term/short term training with the reputed Institutes in regular/distance mode with/without campus exposure by OFILs after in-principle approval of Member/Per.	Head of Unit	₹2,00,000 Per Course	Dir/HR	Full Power		Not necessary up to ₹40,000
	(c) Online mode of training: Nomination of Officials from the Organisation to online training programmes as per SOP/Policy guidelines.	--	--	Dir/HR	Full Power		Not necessary up to ₹40,000

NOTE:

- For b (i) - AoN will be obtained from Dir/HR for cases beyond ₹5 lakhs. Completion report and Impact Assessment report will be forwarded to Dir/HR.
- The Financial Power is to be calculated for the entire training irrespective of no. of participants for that training in that financial year.
- Sr.GM/GM/HoD may nominate Officers/Employees to external Institutes only when the same are not available at OFIL/NADP.
- The expenditure towards the training fees granted for the courses as per the delegation is to be met from the training budget of the concerned unit and is to be contained within its allocated budget.
- Short term course means any course up to two weeks and long term course means courses beyond two weeks.

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MEDICAL

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SI No	Nature of Power / Reference	Delegation				Remarks	Consultation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
87	Grant of advance for Medical Treatment including purchase of appliances for Serious ailment in the Heart/Eyes, Lungs, Kidney, Brain and Cancer cases etc. for Critical patients under CSMA Rules.	Sr. GM /GM/ Head of Unit	Full power as per Central Services Medical Attendance Rules (CSMA)	GM/HR	Full power as per Central Services Medical Attendance Rules (CSMA)		Yes
88	Authorisation for movement of Patients by higher than entitled class of travel including Air Travel along with an attendant by same class on recommendation of Specialist.	Sr. GM /GM/ Head of Unit	Full power as per CSMA rules except movement of patient by AC 1st Class and by Air	GM/HR	Full power as per CSMA rules except movement of patient by A/C 1st Class and by Air		Yes
89	Consultation with Specialists of all disciplines of Allopathic Systems in Factory Dispensary	Sr. GM /GM	i) ₹ 135 to 270 (Outdoor Consultation fee) ii) ₹200 (as conveyance charges) iii) Actual rates of the prevailing CGHS at the city/nearest city (as investigation charges for each consultation)	GM/HR	i) 135 to 270 (Outdoor Consultation fee) ii) ₹200 (as conveyance charges) iii) Actual rates of the prevailing CGHS at the city/nearest city (as investigation charges for each consultation)		Yes (Not required up to ₹40,000)

SI No	Nature of Power / Reference	Delegation				Remarks	Consul-tation with Finance
		Factory/Unit		MIL Corporate HQ			
		Authority	Extent	Authority	Extent		
90	Purchase of all items such as medicines or other items related to healthcare	Addl.GM Sr. GM/GM	₹ 25 lakh in each case. Full Power	GM/HR	Full Power	Subject to competitive tender and budget provision	Yes
91	Purchase of medical stores viz. medicines and other healthcare related items upto ₹2.5 lakh through LPC in each case	Sr. GM/GM	₹ 2.5 Lakh	GM/HR	₹ 2.5 Lakh		Yes Concurrence of Head of Office of associate finance attached to a Sr.GM/GM shall be considered as appropriate financial advisor for purpose of financial consultation for LPC

Note: Wherever relevant, the provisions of OFMR -2009 (Ordnance Factory Medical Regulation) as amended from time to time, be complied with.

TPC/TEC STRUCTURE FOR MIL HQ AND UNITS UNDER MIL

IMPORTANT NOTE

1. The level of officers who can be Chairman/ Member/ Member Secretary for various TEC/TPC have been defined below. Sr.GM/ GM/ Head of Unit shall constitute all TECs/ TPCs based on the availability of level of officers in that area. This should be notified through a Factory/ Office Order.
2. In case officer of the defined level is not available in that area, Sr.GM/GM/Head of Unit may notify another officer as Member/ Member Secretary of TEC/TPC by recording reasons thereof. This should be notified through a Factory/ Office Order.
3. In case of MIL Hq, the above would be notified through Office Order with the approval of CMD.

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TPC/TEC STRUCTURE FOR MIL HQ

Constitution of Tender Purchase Committee (TPC) and Technical Evaluation Committee (TEC) for MIL Hq for procurement of Store

1. TPC & TEC LEVEL-I

CMD
Dir/Ops
Dir/HR (Only for HR Related Cases)
Dir/Fin
GM/ Addl.GM (Looking after procurement)

- **Chairman**
- Member
- Member
- Member
- Member Secretary

2. TPC & TEC LEVEL-II

Director (Ops)
Dir/Fin
Dir/HR (Only for HR Related Cases)
GM/Addl.GM (of User Division)
GM/Addl.GM (Looking after procurement)

- **Chairman**
- Member
- Member
- Member
- Member Secretary

3. TPC & TEC LEVEL - III

GM/Addl.GM (Ops)
GM/ Addl.GM (HR) (Only for HR Related Cases)
GM/Addl.GM (Fin)
GM/Addl.GM/ Jt.GM (User Section for non HR Cases)
Addl.GM/Jt.GM/DGM/WM (Looking after procurement)

- **Chairman**
- Member
- Member
- Member
- Member Secretary

Constitution of Tender Purchase Committee (TPC) and Technical Evaluation Committee (TEC) for MIL Hq for procurement of P&M

1. TPC & TEC LEVEL-I

CMD

Dir/Ops

Dir/Fin

Dir/HR (for HR Related cases Only)

GM/ Addl.GM (Looking after P&M Procurement)

- Chairman
- Member
- Member
- Member
- Member Secretary

2. TPC & TEC LEVEL-II

Director (Ops)

Dir/Fin

Dir/HR (for HR Related cases Only)

GM/Addl.GM (of User Division)

GM/Addl.GM (Looking after P&M Procurement)

- Chairman
- Member
- Member
- Member
- Member Secretary

3. TPC & TEC LEVEL - III

GM/Addl.GM (Ops)

GM/Addl.GM (Fin)

GM/ Addl.GM/ Jt.GM (HR) (for HR Related cases Only)

GM/Addl.GM/ Jt.GM (User Section for Non HR Cases)

Addl.GM/Jt.GM/DGM/WM (Looking after P&M Procurement)

- Chairman
- Member
- Member
- Member
- Member Secretary

**TPC/TEC
STRUCTURE FOR
ORDNANCE FACTORIES
FOR
PROCUREMENT OF STORES**

Constitution of Tender Purchase Committee (TPC) and Technical Evaluation Committee (TEC) in Ordnance Factories

1. TPC & TEC LEVEL-I

For procurement of stores/components etc under Financial Power of **Sr.GM/GM**

Sr. General Manager /General Manager/Head of Unit	- Chairman
Addl. GM/Jt.GM (MM)	- Member/MM
Addl. GM /User Section	- Member/User Section
Addl. GM /Jt.GM (QC)	- Member/QC
Addl.GM/ Jt.GM (Fin)	- Finance Member
Jt GM/DGM (MM)	- Member /Secretary

2. TPC & TEC LEVEL-II

For purchase of stores/ components etc under Financial Power of **Addl GM**

Addl. General Manager (MM)	- Chairman
Addl. GM /Jt.GM (User Section)	- Member/User Section
Addl. GM / Jt.GM (QC)	- Member/QC
Jt.GM/ DGM/WM (Fin)	- Finance Member
Jt GM/DGM /WM (MM)	- Member /Secretary

3. TPC & TEC LEVEL-III

For purchase of stores/ components etc under Financial Power of **Jt. GM/ DGM/WM**

Jt. GM / DGM / WM (MM)	- Chairman
Jt. GM/ DGM/ WM (User Section)	- Member/User Section
Jt. GM/ DGM/ WM (QC)	- Member/QC
Jt.GM/ DGM/WM (Fin)	- Finance Member
DGM/WM/AWM (MM)	- Member Secretary

NOTE :

The function and responsibility of Member Secretary will be as under:-

- (i) To provide the brief of the procurement case in stipulated time to each Member and Chairman of the TPC after satisfying himself of the correctness of the brief;
- (ii) To present/highlight the salient features;
- (iii) To record the minutes of TPC meeting for implementation,
- (iv) Member Secretary of the TPC will also be responsible for decision taken collectively by the TPC.

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**TPC/TEC
STRUCTURE FOR
ORDNANCE FACTORIES
FOR
PROCUREMENT OF
PLANT & MACHINERIES**

Constitution of Tender Purchase Committee (TPC) and Technical Evaluation Committee (TEC) for procurement of Plant & Machinery in Ordnance Factories

1. TPC & TEC LEVEL-I

For procurement of P&M under Financial Power of Sr.GM/GM

Sr. General Manager /General Manager/OIC

Addl. GM/JGM (Engg)

Addl. GM /User Section

Addl.GM/ Jt.GM (Fin)

Jt GM/DGM /Engg

- Chairman
- Member/MM
- Member/User Section
- Finance Member
- Member /Secretary

2. TPC & TEC LEVEL-II

For purchase of P&M under Financial Power of Addl GM

Addl. General Manager (Engg)

Addl. GM /Jt.GM (User Section)

Jt.GM/ DGM/WM (Fin)

Jt GM/DGM /WM (Engg)

- Chairman
- Member/User Section
- Finance Member
- Member /Secretary

3. TPC & TEC LEVEL-III

For purchase of P&M under Financial Power of Jt. GM/ DGM/WM

Jt. GM / DGM / WM (Engg)

Jt. GM /DGM/ WM (User Section)

Jt.GM/DGM/WM (Fin)

DGM/WM/AWM (Engg)

- **Chairman**

- Member/User Section

- Finance Member

- Member Secretary

NOTE :

The function and responsibility of Member Secretary will be as under:-

- (v) To provide the brief of the procurement case in stipulated time to each Member and Chairman of the TPC after satisfying himself of the correctness of the brief;
- (vi) To present/highlight the salient features;
- (vii) To record the minutes of TPC meeting for implementation,
- (viii) Member Secretary of the TPC will also be responsible for decision taken collectively by the TPC.

**CIVIL WORKS COMMITTEE
FOR
MIL HQ
AND
ORDNANCE FACTORIES**

COMPOSITION OF CIVIL WORKS COMMITTEE (CWC) FOR CIVIL WORKS FOR MIL HQ

CWC Level -I		
1.	CMD	Chairman
2.	Dir/Finance	Finance Member
3.	Dir/Ops	Member
4.	Dir/HR (For HR Related Cases)	Member
5.	GM/ Addl.GM (Looking after Civil Works)	Member Secretary
CWC Level -II		
1.	Dir/Ops	Chairman
2.	Dir/Finance	Finance Member
3.	Dir/HR (For HR Related Cases)	Member
4.	GM/Addl. GM (User Section)	Member
5.	GM/ Addl.GM (Looking after Civil Works)	Member Secretary
CWC Level -III		
1.	GM/ Looking after Civil Works	Chairman
2.	GM/ Addl.GM/ Jt. GM (Finance)	Finance Member
3.	GM/Addl.GM (HR) (For HR Related Cases)	Member
4.	GM/Addl. GM (User Section)	Member
5.	Addl.GM/ Jt.GM (Looking after Civil Works)	Member Secretary

**COMPOSITION OF CIVIL WORKS COMMITTEE FOR CIVIL WORKS
FOR ORDNANCE FACTORIES**

Factory Level CWC-I	
<ol style="list-style-type: none"> 1. Sr.GM/ GM/ Head of Unit 2. Addl.GM/ JGM [EO (Civil)] 3. Addl.GM/ JGM of User Sec 4. Addl.GM/ Jt.GM (Fin) 5. JGM/DGM/WM of EO (Civil) 	Chairman Member Member Finance Member Member Secretary
Factory Level CWC-II	
<ol style="list-style-type: none"> 1. Addl.GM [EO (Civil)] 2. Addl.GM/ JGM of User Sec 3. Jt.GM/DGM/WM (Fin) 4. JGM/DGM/WM/AWM of EO (Civil) 	Chairman Member Finance Member Member Secretary

**TECHNICAL DISPOSAL COMMITTEE (TDC)
STRUCTURE
FOR
ORDNANCE FACTORIES**

1. Tender Disposal Committee (TDC) - Level-I

Sr. General Manager /General Manager/ Head of Unit
Addl. GM/Jt.GM (Looking after disposal)
Addl. GM/ Jt.GM (QC)
Addl.GM/Jt.GM (Fin)
Jt GM/DGM/WM/Stores

- Chairman
- Member
- Member
- Finance Member
- Member /Secretary

2. Tender Disposal Committee (TDC) - Level-II

Addl. GM/(Looking After Disposal)
Jt GM/DGM/ Stores
Jt GM/DGM/WM/QC
Jt.GM/DGM/WM (Fin)
WM/AWM/ Stores

- Chairman
- Member
- Member
- Finance Member
- Member /Secretary

3. Tender Disposal Committee (TDC) - Level-III

Jt.GM/DGM/(Looking After Disposal)
WM/AWM/QC
Jt.GM/DGM/WM (Fin)
WM/AWM/Stores

- Chairman
- Member
- Finance Member
- Member /Secretary