



PMC Cell – MM

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**Circular No. 13 /2018-cum-Integrated MM Manual Amendment No. 32/2018**

No: MAT/PMC/13( 29)4/2018

Dated: 28.03.2018

**Sub: Standard Operating Procedure (SOP) for signing of the formal Contract after placement of NOA**

EPC, in its meeting (6/2018) held on 07.03.2018 has approved Standard Operating Procedure (SOP) for signing of the formal contract after placement of NOA as attached at Appendix-AA.

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*  
28/3/18

(Ashwini Nagia)  
ED-Chief MM Services

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1. EO to CMD, ONGC, New Delhi.
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Statement shoring existing vis-à-vis modified provisions of Integrated MM Manual

Para No.	Existing Provisions	Modified Provisions
15.3.3.1	Wherever there is a change in technical specifications, scope of work or other financial conditions during the tendering process, the concerned MM officer, if considered necessary, will forward the technical specifications and scope of work to the concerned indenter and financial aspects to the finance team for vetting before incorporating the same in the PO/contract. The specifications/scope of work shall be vetted the Indenter within 3 working days and financial aspects by Finance within 2 working days.	Wherever there is a change in technical specifications, scope of work or other financial conditions during the tendering process, the concerned MM officer, if considered necessary, will forward the technical specifications and scope of work to the concerned indenter and financial aspects to the finance team for vetting before incorporating the same in the PO/contract. <u>The specifications/scope of work shall be vetted the Indenter within 3 working days and financial aspects by Finance within 4 working days.</u>
15.3.6	No provision exists	Standard Operating Procedure (SOP) for signing of the Contract after placement of NOA is detailed at <b>Appendix-AA</b>

## Appendix-AA

### Standard Operating Procedure (SOP) for signing of the Contract after placement of NOA

Sl. No.	Provisions/Situation	Action required
	<b>A. Submission of acceptance of NOA by the successful bidder (applicable for all type of procurement):</b>	
1.	NOA should clearly stipulate that the successful bidder must confirm within 03 days of issue of the NOA that PBG shall be submitted within 15 days from the date of NOA and Non-submission of PBG within stipulated period may lead to annulment of the contract and action against contractor as per tender/NOA conditions.	In case confirmation is not received within 03 days, the dealing officer shall issue reminder(s) to Contractor.
	<b>B. Submission of Security Deposit/Performance Security(SD/PS) by the contractor (applicable for all type of procurement):</b>	
1.	The PBG is not submitted within the stipulated 15 days of issue of NOA, and the Contractor requests for additional time (up to 02 weeks) for submission of PBG, giving reasons for the delay.	Under consultation with Indentor, the dealing officer should examine and recommend extension as per para 16.6.5(g) of IMMM or termination of the Contract/NOA as per para 23.2.1 of IMMM, as the case may be.
	The Contractor requests for a further additional time (up to 02 weeks) for submission of PBG, giving reasons for the delay.	The process as above shall be repeated.
2.	The extension has been granted (upto 02 weeks /further additional 02 weeks, as the case may be) but Contractor fails to either submit PBG  Or  The contractor requests for extension for submission of SD/PS beyond 04 weeks after the stipulated period of 15 days giving reasons for the delay.	Concerned Dealing officer shall initiate action inviting TC. TC to decide further course of action and the request shall be agreed to only in exceptional circumstances with approval of Competent Authority in line with Para 16.6.5(g) of IMMM OR action may be taken to terminate the Contract/NOA as per para-23.2.1 of IMMM.
3.	<b>NOTE: Forfeiture of EMD:</b> After placement of LOA, concerned Dealing officer of MM shall ensure validity of EMD till receipt of acceptable SD/PS. If the successful bidder neither submits SD/PS nor extends EMD, ONE week prior to expiry of the EMD, the Concerned MM officer shall put up the case to Level-1 executive for forfeiture of EMD	
	<b>C. Signing of Contract (applicable for services contracts and LSTK only):</b>	
1.	In case standardized or already vetted (at tendering stage or during previous tender) tender/contract conditions are used.	No further vetting should be necessary.

2.	The draft contract document has been prepared based on the tendered contract conditions and the offered conditions accepted by ONGC.	The Dealing officer shall send the draft Contract document to the Contractor within 07 working days of issue of NOA with a remark that the draft document is based on the tendered contract conditions and the offered conditions accepted by ONGC.
3	The vetting of any new specific non-standardized / already not vetted contract conditions, which emerges during the tendering stage.	The Finance/Legal/MM sections (as the case may be) shall vet within 4 working days of its submission for vetting, limited to the specifically non-standardized / already not vetted proposed contract conditions. The same should be explicitly informed to the contractor for their acceptance, informing them that in case their acceptance/comments are not submitted within 01 week, it will be deemed as accepted on the part of the Contractor and no further claim in this regard shall be entertained at later stage.
4	The comments have been received from contractor on the draft Contract document within one week.	<p>No modification in the draft contract should be allowed which is not as per the tender conditions/other conditions as agreed upon by contractor and ONGC during tender finalization.</p> <p>The comments shall be examined and in case corrections in the draft contract are required to be made due to some typographical or inadvertent errors noticed by contractor/ONGC and corrections/modifications are in line with the tender conditions/other conditions as agreed upon between ONGC and contractor during tender finalization process, these corrections should be made with the approval of Contract signing authority.</p>
5	The draft contract is ready for signing,	The contract shall be signed within 15 days of receipt of acceptable PBG.
6	For any reasons whatsoever, the contract is not signed within the stipulated time.	Dealing Officer shall bring to the notice of the CPA (concerned L-1 executive in case of Director and EPC level cases) giving full justifications and the further tentative time by which contract shall be signed.