



PMC Cell – MM

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Circular No. 34/2016-cum-Integrated MM Manual Amendment No. 17/2016

No: MAT/PMC/13(12)/2016

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Sub: Performance Bank Guarantee against Rate Contract.

Reference is invited to the para no. 16.6.2 of Integrated MM Manual wherein guidelines on monetary limit for security deposit have been stipulated.

In accordance with the decisions taken in the EPC meeting (25/2016) held on 02.08.2016 relevant provisions of Integrated MM Manual stand modified as per Annexure-A.

Above instructions should be meticulously followed by all concerned.

Ashwini Nagia
12/08/16

(Ashwini Nagia)
ED-Chief MM Services

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Statement showing existing vis-a-modified provisions of Integrated MM Manual

Para No.	Existing Provisions			Modified Provisions		
16.6.2	(i)	Contracts for Turnkey Project Construction / platforms.	10% of Contract Value.	(i)	Contracts for Turnkey Project Construction / platforms.	10% of Contract Value.
	(ii)	All type of service / Rig hiring contracts.	10% of one year's contract value. (for rig hiring contracts one year's contract value shall be the Effective Day Rate based on which bids were evaluated x 365 days). In case of contracts with primary term of two or three years, the Performance Bank Guarantee / Contract Security will be obtained with initial validity for two or three years as the case may be.	(ii)	All type of service / Rig hiring contracts.	10% of one year's contract value. (for rig hiring contracts one year's contract value shall be the Effective Day Rate based on which bids were evaluated x 365 days). In case of contracts with primary term of two or three years, the Performance Bank Guarantee / Contract Security will be obtained with initial validity for two or three years as the case may be.
	(iii)	Supply of goods	10% of order/contract value.	(iii)	Supply of goods	10% of order/contract value.
	(iv)	No provision		(iv)	<u>Rate Contract (Goods)</u>	<u>10% of estimated annualized contract value</u>