



PM Cell – MM

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Circular No. 31/2022-cum- BL Amendment No. BL/01/133, BL/02/107 & BL/03/53

No: DLI/CORP-MM/2022/GST/1012116

Dated: 23.08.2022

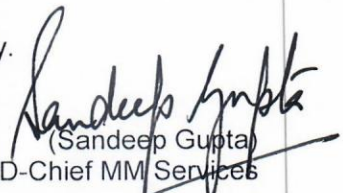
Sub: Changes in rate of GST relevant to ONGC.

Reference is invited to Circular No. 23/2022 dated 18.07.2022 vide which guidelines were issued with respect to changes in concessional rates of Tax/GST on import as well domestic procurement of specified goods under respective notifications.

In accordance with the referred Circulars, relevant provisions of Standard tender conditions in Booklet No. ONGC/MM/01, ONGC/MM/02, ONGC/MM/03, Standard tender conditions for Service contracts and Standard Tender Document for Procurement of OEM spares (Indigenous) stands modified as per Annexure-1 to 5. Wherever required, similar modifications may be carried out in the tender conditions for LSTK Contracts.

Further, in order to have uniformity among the work center, an undertaking as also mentioned in Circular No. 25/2022 dated 19.07.2022, is to be obtained from Contractors/Suppliers regarding compliance to the provision of Anti profiteering clause under GST Act as per Annexure-6. The said undertaking is applicable for effecting Change in Law provisions in ongoing tenders and running Contracts/Purchase Orders.

All concerned are advised to follow the above guidelines meticulously.


(Sandeep Gupta)
ED-Chief MM Services

Distribution: (Through ONGC's intranet website 'reports.ongc.co.in').

All concerned may download the circular from the site. Hard copies are not distributed separately.

23/8/22

Annexure-1

**Statement showing existing vis-à-vis modified provisions of Standard Booklet No. ONGC/MM/01.
Instructions to Bidders (Annexure-I)**

Clause No.	Existing Provision	Modified provisions	Remarks
14.0	CONCESSIONAL RATE OF Custom Duty/GST ON GOODS TO BE SUPPLIED TO ONGC	CONCESSIONAL RATE OF CUSTOM DUTY/GST ON GOODS TO BE SUPPLIED TO ONGC	
14.1	<p>In terms of Sl. No. 404 of the Customs Notification No.50/2017-Cus dated 30.06.2017, imports of the items specified in List 33 of the Notification are subject to levy of concessional rate of customs duty @5% (BCD Nil & IGST @5%) subject to conditions specified therein (Condition No. 48). However, this is subject to change as per Government guidelines and the provisions ruling at the time of tender closing will be applicable.</p> <p><u>Similarly, the domestic supply of such goods would attract 5% GST (i.e. IGST or CGST & SGST/UTGST) on submission of EC in terms of GST Notification No. 03/2017.</u></p>	<p>In terms of Sl. No. 404 of the Customs Notification No.50/2017-Cus dated 30.06.2017 and amended vide Customs Notification No. 02/2022-Cus dated 01.02.2022 & 40/2022-Customs dated 13.07.2022 (as amended from time to time), imports of the items specified in List 33 of the Notification are subject to levy of concessional rate of <u>customs duty @12%</u> (BCD Nil & IGST @12%) subject to conditions specified therein (Condition No. 48).</p> <p><u>Similarly, in terms of Notification No.3/2017-GST Legislations dated 28.06.2017 and amended vide Notification No. 08/2022 dated 13.07.2022, (as amended from time to time), domestic supply of the items specified in List attached in the Notification No. 3/2017 dated 28.06.2017 would attract concessional rate of GST @12%,subject to conditions specified therein.</u></p> <p>However, the above provisions are subject to change as per Government guidelines and the provisions ruling at the time of tender closing will be applicable.</p>	<p>Underlined portion added in view of the Custom Notification 02/2022 vide which list-33 has been revised.</p> <p>Further, vide Notification 40/2022, rate for IGST has been modified to 12%.</p> <p>Existing provision modified as at present list of the items indicated in List 33 and 03/2017 are different. Therefore, provision modified in line with provision being followed in Indigenous tenders.</p>

Annexure-2

**Statement showing existing vis-à-vis modified provisions of Standard Booklet No. ONGC/MM/02.
Instructions to Bidders (Annexure-I)**

Clause No.	Existing Provision	Modified provisions	Remarks
13.0	CONCESSIONAL RATE OF GST ON SUPPLY OF GOODS	CONCESSIONAL RATE OF GST ON SUPPLY OF GOODS	
13.1	In terms of Notification No.3/2017-GST Legislations dated 28.06.2017, (as amended from time to time), of the items specified in List attached in the Notification would attract concessional rate of GST @5%,subject to conditions specified therein. However, this is subject to change as per Government guidelines and the provisions ruling at the time of tender closing will be applicable.	In terms of Notification No.3/2017-GST Legislations dated 28.06.2017 and amended vide Notification No. 08/2022 dated 13.07.2022, (as amended from time to time), <u>domestic supply</u> of the items specified in List attached in the Notification No. 3/2017 dated 28.06.2017 would attract concessional rate of GST @12%,subject to conditions specified therein. However, this is subject to change as per Government guidelines and the provisions ruling at the time of tender closing will be applicable.	Provision modified in line with GST Notification 08/2022 dated 13.07.2022.

Annexure-3

**Statement showing existing vis-à-vis modified provisions of Standard Booklet No. ONGC/MM/03.
General Contract Conditions (Annexure-II)**

Clause No.	Existing Provision	Modified provisions	Remarks
15.6	<p>CUSTOMS DUTY (BCD + IGST):</p> <p>As per Sl. No. 404 of Customs Notification No. 50/2017-Cus dated 30.06.2017 and amended vide Customs Notification No. 02/2022-Cus dated 01.02.2022 (as amended from time to time), the goods required in relation with petroleum operation for eligible areas, as mentioned in list 33 of said notification, would attract 5% Customs Duty (BCD Nil & IGST @ 5%) subject to submission of required undertaking/ certificate.</p> <p>.....</p> <p>.....</p>	<p>CUSTOMS DUTY (BCD + IGST):</p> <p>As per Sl. No. 404 of Customs Notification No. 50/2017-Cus dated 30.06.2017 and amended vide Customs Notification No. 02/2022-Cus dated 01.02.2022 & <u>40/2022-Customs dated 13.07.2022</u> (as amended from time to time), the goods required in relation with petroleum operation for eligible areas, as mentioned in list 33 of said notification, would attract <u>12% Customs Duty (BCD Nil & IGST @ 12%)</u> subject to submission of required undertaking/ certificate.</p> <p>.....</p> <p>.....</p>	<p>Underlined portion added.</p>

Annexure-4

**Statement showing existing vis-à-vis modified provisions of standard tender /contract conditions for Service Contracts.
Instructions to Bidders (Annexure-I)**

Clause No.	Existing Provision	Modified provisions	Remarks
13.0	<p>CONCESSIONAL RATE OF CUSTOMS DUTY AND GST</p> <p>In terms of SI No 404 of Customs notification No. 50/2017-Customs dated 30.06.2017 and amended vide Customs Notification No. 02/2022-Cus dated 01.02.2022 (As amended from time to time), the goods specified in list 33 imported in relation with Petroleum operations will attract <u>5%</u> Customs Duty (BCD Nil & IGST @<u>5%</u>), for which, ONGC is eligible for its nominated blocks or NELP/other eligible blocks. Hence, ONGC will issue required undertaking/certificate as per Government guidelines so as to enable the contractor to import goods against concessional rate of Custom Duty provided these are specified in the list 33 of said Customs notification.</p> <p>All imports and import clearance under the contract including payment of Customs Duty either for items covered under above referred list 33 or otherwise shall be the responsibility of the bidder. ONGC will not provide any assistance in this regard.</p> <p>Notwithstanding what is stated above, the bidders should also consider the position in regard to import of goods as specified in list No. 33 of above notification against concessional rate of <u>5%</u> Customs Duty. ONGC is not liable in whatsoever manner, for the rejection of their claims for concessional rate of <u>5%</u> Customs Duty by any of the authorities.</p> <p>The bidder while quoting would need to consider the duty drawback as per notification No. 23/2008 dated 01.03.2008 available to them upon re-export of the equipment, if any. The</p>	<p>CONCESSIONAL RATE OF CUSTOMS DUTY AND GST</p> <p>In terms of SI No 404 of Customs notification No. 50/2017-Customs dated 30.06.2017 and amended vide Customs Notification No. 02/2022-Cus dated 01.02.2022 & <u>40/2022-Customs dated 13.07.2022</u> (As amended from time to time), the goods specified in list 33 imported in relation with Petroleum operations will attract <u>12%</u> Customs Duty (BCD Nil & IGST @<u>12%</u>), for which, ONGC is eligible for its nominated blocks or NELP/other eligible blocks. Hence, ONGC will issue required undertaking/certificate as per Government guidelines so as to enable the contractor to import goods against concessional rate of Custom Duty provided these are specified in the list 33 of said Customs notification.</p> <p>All imports and import clearance under the contract including payment of Customs Duty either for items covered under above referred list 33 or otherwise shall be the responsibility of the bidder. ONGC will not provide any assistance in this regard.</p> <p>Notwithstanding what is stated above, the bidders should also consider the position in regard to import of goods as specified in list No. 33 of above notification against concessional rate of <u>12%</u> Customs Duty. ONGC is not liable in whatsoever manner, for the rejection of their claims for concessional rate of <u>12%</u> Customs Duty by any of the authorities.</p> <p>The bidder while quoting would need to consider the duty drawback as per notification No. 23/2008 dated 01.03.2008 available to them upon re-export of the</p>	Underlined portion added.

<p>bidder should also note that input tax credit would also be available to them on the IGST paid by them excluding duty drawback and this aspect should also be considered by them while quoting their rates.</p> <p>Similarly, such specified goods required for petroleum operations if procured from domestic sources would attract <u>5%</u> concessional Rate of GST (IGST or CGST & SGST/UTGST) as per GST-Rate Notification No. 3/2017 dtd. 28.06.2017 against issuance of EC by DGH for which ONGC shall issue the recommendatory letter.</p>	<p>equipment, if any. The bidder should also note that input tax credit would also be available to them on the IGST paid by them excluding duty drawback and this aspect should also be considered by them while quoting their rates.</p> <p>Similarly, the such specified goods required for petroleum operations if procured from domestic sources would attract <u>12%</u> concessional Rate of GST (IGST or CGST & SGST/UTGST) as per GST-Rate Notification No. 3/2017 dtd. 28.06.2017 <u>and amended vide Notification No. 08/2022 dtd. 13.07.2022</u> against issuance of EC by DGH for which ONGC shall issue the recommendatory letter.</p>	
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General Contract Conditions (Annexure-II)

Clause No.	Existing Provision	Modified provisions	Remarks
8.4	<p>CUSTOMS DUTY (BCD + IGST): - (applicable for Charter hire services using CONTRACTOR's capital equipment like rigs/equipments/ tools/vessels etc and for petroleum operations, where concessional Customs duty is applicable as per the policy of Govt. of India in vogue).</p> <p>As per Sl. No. 404 of Customs Notification No. 50/2017-Cus dated 30.06.2017 and amended vide Customs Notification No. 02/2022-Cus dated 01.02.2022 (as amended from time to time), the goods required in relation with petroleum operation for eligible areas, as mentioned in list 33 of said notification, would attract <u>5% Customs Duty (BCD Nil & IGST @ 5%)</u> subject to submission of required undertaking/ certificate.</p> <p>.....</p> <p>.....</p>	<p>CUSTOMS DUTY (BCD + IGST): - (applicable for Charter hire services using CONTRACTOR's capital equipment like rigs/equipments/ tools/vessels etc and for petroleum operations, where concessional Customs duty is applicable as per the policy of Govt. of India in vogue).</p> <p>As per Sl. No. 404 of Customs Notification No. 50/2017-Cus dated 30.06.2017 and amended vide Customs Notification No. 02/2022-Cus dated 01.02.2022 & <u>40/2022-Customs dated 13.07.2022</u> (as amended from time to time), the goods required in relation with petroleum operation for eligible areas, as mentioned in list 33 of said notification, would attract <u>12% Customs Duty (BCD Nil & IGST @ 12%)</u> subject to submission of required undertaking/ certificate.</p> <p>.....</p> <p>.....</p>	Underlined portion added.

Annexure-5

**Statement showing existing vis-à-vis modified provisions of Standard Tender Document for Procurement of OEM Spares
(Indigenous)
Instructions to Bidders (Annexure-I)**

Clause No.	Existing Provision	Modified provisions	Remarks
7.0	CONCESSIONAL RATE OF GST ON SUPPLY OF GOODS	CONCESSIONAL RATE OF GST ON SUPPLY OF GOODS	
7.1	In terms of Notification No.3/2017-GST Legislations dated 28.06.2017(as amended from time to time), of the items specified in List attached in the Notification would attract concessional rate of GST @5%, subject to conditions specified therein. However, this is subject to change as per Government guidelines and the provisions ruling at the time of tender closing will be applicable.	In terms of Notification No.3/2017-GST Legislations dated 28.06.2017 and amended vide Notification No. 08/2022 dated 13.07.2022, (as amended from time to time), domestic supply of the items specified in List attached in the Notification No. 3/2017 dated 28.06.2017 would attract concessional rate of GST @12%, subject to conditions specified therein. However, this is subject to change as per Government guidelines and the provisions ruling at the time of tender closing will be applicable.	Provision modified in line with GST Notification 08/2022 dated 13.07.2022.

Annexure-6

UNDERTAKING / DECLARATION (To be submitted on Letter head of Firm/Company)

I, -----, aged ---- years, Director/Proprietor/Partner of _____(Name of Firm/Company and address) do solemnly affirm and declare as under:

1. That I am duly authorized to furnish this undertaking/declaration on behalf of _____ (Name of Firm/Company).
2. That _____ (Name of Firm/Company) has submitted its Bid No. _____ dated ____ against Tender No. _____ dated ____ for _____ (Item/Works).
3. That _____ (Name of Firm/Company) is fully aware of and in compliance with the provisions regarding anti-profiteering under The Central Goods & Services Tax Act, 2017.
4. That _____ (Name of Firm/Company) shall pass on the benefits/is passing on the benefits which it shall get/is getting on account of Input Tax Credit and/or due to any change in rate of tax or provisions under the GST/Custom Laws of India. The details and amounts being passed onto ONGC have been listed out and annexed herewith.
5. That _____ (Name of Firm/Company) is aware of the consequences of non-compliance of the provisions regarding anti-profiteering under The Central Goods & Services Tax Act, 2017.
6. That the above statements at Para 1 to 5 are true and correct to the best of my knowledge, information and belief.

(Authorized Signatory of the Bidder)
