

Circular No. 57/2023

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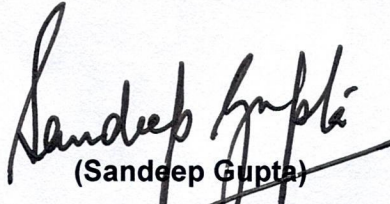
Sub: Subletting/Sub-contracting to Sub-Contractor

In a case examined by Vigilance Department, main Contractor sublet/sub-contracted extra jobs beyond the part of Work approved for sub-contracting by the Competent Authority. Reference is invited to para 24.1.1 of Integrated MM Manual, wherein the provision on subletting has been stipulated.

With a view to clarify this issue, in case a part of the work can be sublet/sub-contracted, the same should be clearly mentioned in the bid document. In case a bidder desires to sublet/sub-contract part of Work, they should indicate what activities they propose to sub-contract along with the name of Sub-Contractor(s) in their bid. The capability of the Sub-Contractor would be evaluated by the Work Centre during bid evaluation stage along with that of the main Contractor. After award of the contract, no subletting will be permitted until and unless the bidder has quoted for subletting of a particular portion of the job to the Sub-Contractor at pre award stage and the same has been evaluated and accepted by ONGC. Engaging Sub-Contractors after award of work should be restricted to only unavoidable/exceptional circumstances and shall be evaluated as per the technical criteria set forth in the tender.

Wherever the main Contractor has been allowed to sublet/sub-contract certain part of the Contract, the main Contractor should submit the copy of agreement signed between the main Contractor and Sub-Contractor to perform the sub-contracted work. Work Centre should ensure that such agreement is only for that part of Scope of Work, for which subletting/sub-contracting has been allowed.

Above guidelines should be meticulously followed by all concerned.


(Sandeep Gupta)
ED-Chief MM Services
8/8/23

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