



PMC Cell – MM

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Circular No. 45/2017-cum- BL Amendment No. BL/01/101

No: MAT/ PMC/13(100)/2017

Dated: 05.10.2017

Sub: Reinstating Deemed Exports Benefit Clauses in BEC/Tender Documents

Reference is invited to Circular No. 37/2017 dated 24.08.2017 wherein *inter alia* the provisions pertaining to Deemed Export Benefits (DEB) have been deleted from Standard BEC/Tender Document for procurement of goods against ICB tenders.

EPC in its meeting (25/2017) held on 03.10.2017, has reviewed the applicability of DEB provisions and directed to reinstate the relevant Deemed Export Benefit(DEB) provisions that have been deleted from standard BEC/Tender Document for procurement of goods against ICB tenders vide Circular No. 37/2017, as detailed in Annexures.

Accordingly, the existing Standard BEC & Tender Conditions (Booklet No. ONGC/MM/01) for procurement of goods against ICB tenders have been modified as per Annexure-A1 & A2 respectively. All other provisions notified vide aforesaid circular shall remain unchanged.

Above guidelines should be meticulously followed by all concerned.


(Ashwini Nagia)
ED-Chief MM Services

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

Copy to:

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3. CVO, ONGC, Deendaya Urja Bhawan, Vasant Kunj, New Delhi.

Statement showing existing vis-à-vis modified provisions of BEC for procurement of goods against ICB tenders		
Clause No.	Existing Provisions	Modified Provisions
C.PRICE EVALUATION CRITERIA:		
C.3	No Provisions Exist. (Provisions were deleted vide Circular no. 37/2017)	Deemed Exports Benefits Supplies to ONGC shall be entitled for Deemed Export Benefits as per para 7.02(f) read with para 7.03 of FTP 2015-20 for petroleum operation, provided the tendered and offered items are covered in the list 34 of Notification No. 12/2012-Customs dated 17.03.2012 (as amended from time to time). Deemed Exports shall be eligible for the following benefits in respect of manufacture and supply of goods qualifying as deemed exports: a) Advanced License for intermediate supply/ deemed export b) Deemed Exports drawback The domestic suppliers will quote net price after taking into account the Deemed Export Benefits as applicable. The domestic bidders are requested to check the latest position on the subject on their own and in the event of any increase in the Customs Duty due to change/abolition of the Deemed Export Benefits (DEB), within contractual delivery, ONGC shall reimburse the same to the supplier at actuals on submission of documentary proof of such payments having been made. The bidder must specify in their bid the import content (quantity and value wise), and the item number in the Customs Manual under which the raw material is to be imported by them. However, in case of any increase in Customs duty due to change/abolition of DEB beyond the original contractual delivery/completion date, ONGC will not pay / reimburse such increase in Customs duty. In the event of any decrease in the Customs Duty by changing the DEB by the Govt., the supplier shall pass on such decrease to ONGC immediately. The

		reimbursement (from either party) shall only be limited to the payment of Customs Duty, and not for any other benefit under Deemed Exports to the contractor/supplier.
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Statement showing existing vis-à-vis modified provisions of Standard Booklet No. ONGC/MM/01		
Instructions to Bidders (Annexure-I)		
Clause No.	Existing Provisions	Modified Provisions
Appendix – 5 Check List GROUP 'B'	3. Whether the Bidder has quoted after taking into account various incentives and concessions granted to them for supplies to ONGC, like facility to import raw material and components on concessional rate of customs duty, Input Tax Credit, etc. ? Yes No Not applicable	3. Whether the Bidder has quoted after taking into account various incentives and concessions granted to them for supplies to ONGC, like facility to import raw material and components on concessional rate of customs duty, Deemed Export Benefits, Input Tax Credit, etc. ? Yes No Not applicable
General Contract Conditions (Annexure-II)		
Clause No.	Existing Provisions	Modified Provisions
36.	No Provisions Exist. (Provisions were deleted vide Circular no. 37/2017)	DEEMED EXPORT BENEFITS
36.1.1	No Provisions Exist. (Provisions were deleted vide Circular no. 37/2017)	The supply order is placed under Deemed Export Benefits Scheme proclaimed by the Govt. at para 7.02(f) read with Para 7.03 of FTP-2015-20. However, ONGC will not accept any liability on this account for any changes in the policy during the execution of supply order / contract.
36.1.2	No Provisions Exist. (Provisions were deleted vide Circular no. 37/2017)	“The domestic bidders are requested to check the latest position on the subject on their own and in the event of any increase in the Customs Duty due to change/abolition of the Deemed Export Benefits (DEB), within contractual delivery, ONGC shall reimburse the same to the supplier at actuals on submission of documentary proof of such payments having been made. The bidder must specify in their bid the import content (quantity and value wise), and the item number in the Customs Manual under which

	<p>the raw material is to be imported by them. However, in case of any increase in Customs duty due to change/abolition of DEB beyond the original contractual delivery/completion date, ONGC will not pay / reimburse such increase in Customs duty. In the event of any decrease in the Customs Duty by changing the DEB by the Govt., the supplier shall pass on such decrease to ONGC immediately. The reimbursement (from either party) shall only be limited to the payment of Customs Duty, and not for any other benefit under Deemed Exports to the contractor/supplier.”</p>
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