



PMC Cell – MM

## Oil and Natural Gas Corporation Ltd

Corporate Materials Management

2<sup>nd</sup> Floor, Tower-A, Deendayal Upadhyaya Bhawan,  
5, Nelson Mandela Marg, Vasant Kunj, New Delhi -110 070  
Tel – (011)26752004 Fax – (011) 26129091

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**Sub: Modification to the format for 'Guarantee by the Supporting Company/Guarantor'**

Reference is invited to circular Nos. 10/2017, 11/2017, 14/2017 read with Clarifications, Corrigendum, wherein revised Criteria for ascertaining Financial Capability of the bidders and Experience Criteria, *alongwith* revised format for 'Guarantee by the Supporting Company/Guarantor' were notified.

The aforesaid provisions were subsequently modified vide circular Nos. 08/2018 and 09/2018 *interalia* introducing new clause that in cases where foreign based supporting company does not have Permanent Establishment in India, the bidding company can furnish Performance Bank Guarantee for an amount which is sum of PBG amount to be submitted by the bidder and additional PBG amount required to be submitted by the supporting company subject to the condition that supporting company has 100% paid up equity share capital of the bidder either directly or through intermediate subsidiaries.

In order to further align the provisions, the format for 'Guarantee by the Supporting Company/Guarantor' has been modified inline with the aforesaid clause.

Accordingly, format for 'Guarantee by the Supporting Company/Guarantor' in respect of Financial Criteria as well as Experience criteria has been further modified as per enclosed Annexure-I

(Ashwini Nagia)  
ED-Chief MM Services

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## GURANTEE BY THE SUPPORTING COMPANY/GUARANTOR

Para No.	Existing Provisions	Modified Provisions	Remarks
<p>1./Page1-2 at Annexure-B in respect of Financial Criteria</p> <p>&amp;</p> <p>8./Page2 of annexureA-2 in respect of Experience criteria</p>	<p>In case of award of contract to the bidder, the Guarantor shall provide Performance Bank Guarantee to ONGC, equivalent to 50% of the value of Performance Bank Guarantee to be submitted by the bidding company, in the prescribed format within 15 days from the date of Notification of Award, as guarantee for performance by the bidder/contractor. The Guarantor hereby expressly agrees that if in the opinion of ONGC, the Bidder / Contractor has failed to perform its obligations under the contract in any manner, ONGC shall have unfettered right to invoke the said Bank guarantee. The guarantor hereby agrees that decision of ONGC about performance of the bidder / contractor shall be final and shall not be questioned by the Guarantor. Guarantor shall have no objection to invocation of the Performance Bank Guarantee submitted by the Guarantor.</p>	<p>In case of award of contract to the bidder, the Guarantor shall provide Performance Bank Guarantee to ONGC, equivalent to 50% of the value of Performance Bank Guarantee to be submitted by the bidding company, in the prescribed format within 15 days from the date of Notification of Award, as guarantee for performance by the bidder/contractor. The Guarantor hereby expressly agrees that if in the opinion of ONGC, the Bidder / Contractor has failed to perform its obligations under the contract in any manner, ONGC shall have unfettered right to invoke the said Bank guarantee The guarantor hereby agrees that decision of ONGC about performance of the bidder / contractor shall be final and shall not be questioned by the Guarantor. Guarantor shall have no objection to invocation of the Performance Bank Guarantee submitted by the Guarantor</p> <p><u>OR</u></p> <p><u>(applicable, subject to meeting the conditions stipulated in BEC in respect of additional Performance Bank Guarantee)</u></p> <p>In case of award of contract to the bidder, the bidder on behalf of the Guarantor shall provide</p>	<p>Additional para added</p>

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		<p>additional Performance Bank Guarantee to ONGC, equivalent to 50% of the value of Performance bank Guarantee to be submitted by the bidding company, in the prescribed format within 15 days from the date of Notification of Award, as guarantee for performance by the bidder/contractor. The Guarantor hereby expressly agrees that if in the opinion of ONGC, the Bidder / Contractor has failed to perform its obligations under the contract in any manner, ONGC shall have unfettered right to invoke the said Bank guarantee. The Guarantor hereby agrees that decision of ONGC about performance of the bidder / contractor shall be final and shall not be questioned by the Guarantor. Guarantor shall have no objection to invocation of the Performance Bank Guarantee submitted by the Bidder on behalf of the Guarantor.</p> <p>(Strike through the clause whichever is not applicable)</p>	