



PMC Cell – MM

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Corrigendum to Circular Nos.10/2017, 11/2017 & 14/2017

No: MAT/PMC/13(108)FC/2017

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Sub: Corrigendum to Circular Nos. 10/2017, 11/2017 & 14/2017.

In connection with the subject cited circulars pertaining to experience criteria in respect of service & LSTK contracts and financial criteria for all type contracts, some of the work centers have sought the following clarification:

Sl. No.	Clarifications sought by work center	PMC Response
1	As the additional PBG by the supporting company is to be submitted after the NOA, the details of the PBG i.e. BG No., date & value shall not be available at the time of submission of Guarantee by the supporting company along with Techno- commercial bid. Therefore, first sentence of the para 7 of Format for Guarantee by supporting Company/ Guarantor at Annexure A-2 of Circular 11/2017 and Annexure-B of Circular 10/2017 needs modification.	<p>I) In view of the fact that PBG will be required only after award, relevant provision duly modified as under:</p> <p>Para no. 1 of format for Guarantee by supporting Company/ Guarantor at Annexure-B of Circular 10/2017 & Para no. 7 of Annexure A-2 of Circular 11/2017 and 14/2017.</p> <p><u>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".</u></p> <p>II) Para 3.1 (iii) of Appendix – I of circular no. 14/2017 dtd. 03.04.2017 and para (iii) of clause B.1-2.2 of circular no. 11/2017 dtd. 01.03.2017 may be read as:</p>

	<p>“<u>Undertaking</u> by Supporting Company to provide a Performance Bank Guarantee (as per format and instructions enclosed at Appendix A-3), equivalent to 50% of the value of the PBG, in case the supported bidding company is the successful bidder.”</p> <p>Para 3.2 (iv) of Appendix – I of circular no. 14/2017 dtd. 03.04.2017 and para (iv) of clause B.1-2.3 of circular no. 11/2017 dtd. 01.03.2017 may be read as:</p> <p>“<u>Undertaking</u> to provide an additional PBG (as per format and instructions enclosed at Appendix A-3), equivalent to 50% of the value of the PBG by the bidding company, is submitted either by Supporting Company which supports the bidding company or the Ultimate Controlling Company.”</p> <p>These changes have been incorporated in the standard documents for goods & service contracts. Similar modification may be carried out tender/contract conditions for LSTK contracts.</p>
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Above clarification should be meticulously followed by all concerned.

Ashwini Nagia 26/5/17.

(Ashwini Nagia)
ED-Chief MM Services

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