

## Oil and Natural Gas Corporation Ltd

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

#### Circular No. 20/2020

No: MAT/PMC/13(18)/2020 Dated: 22.04.2020

Sub: Processing of tenders considering current market condition across the globe due to COVID 19

EC, in its meeting (05/2020-21) held on 15.04.2020 has taken following decisions considering current market condition across the globe due to COVID 19:

# 1.) <u>Cases where techno-commercialical bids have been opened but price bids are yet to be opened:</u>

Work centers will seek percentage reduction (without indication of prices) in originally quoted price against each line-item as per the Price Format of the tender from all the bidders shortlisted for price bid opening. In case of single bid/ no competition, retendering should be done.

A format for <u>"percentage(%)</u> reduction in originally quoted <u>prices"</u> by adopting Price Format of the tender while adding column <u>"percentage</u> (%) reduction in originally quoted prices" and removing price colums, shall be uploaded by work centre in POST BID folder created for each qualified bidder. The bidders shall be required to quote figure in column <u>"percentage</u> (%) reduction in originally quoted prices" against each quoted item. The bidder will be allowed to quote only reduction in originally quoted prices.

All bidders shortlisted for price bid opening will be given seven days time for submitting the "percentage (%) reduction in originally quoted prices". Bidders will be required to upload the same on or before 1400 Hrs. on the cut-off date i.e. price bid opening date. Price bid opening will also be scheduled on the same day at 1500 Hrs. [Wherever any other time for tender closing/opening is being practised, same should be appropriately indicated/followed in place of 1400 Hrs / 1500 Hrs.]

Original price bid and percentage reduction quoted by the bidder, both will be opened at the time of price bid opening. Offers will be evaluated and ranking will be decided considering the price arrived after taking into account percentage reduction in originally quoted prices by the bidder. If the bidder does not offer/submit any reduction in the prices, in that case their originally quoted prices will be considered.

"Percentage (%) reduction in originally quoted prices" submitted by the bidders after cutoff date and time, will not be taken into account for evaluation purpose. However, in the event of such an offer, without considering percentage reduction offered by the bidder, is

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found to be lowest, ONGC shall avail such reduction in prices offered by the bidder at the time of award of contract.

Dealing officer while seeking "percentage (%) reduction in originally quoted prices" MUST ensure that no read/write authorisation in POST BID folder created for each qualified bidder, is available to any person other than dealing officer and respective bidder. Dealing officers are also advised to open this "percentage (%) reduction in originally quoted prices" submitted within cut-off date & time by the bidders alongwith price bid only and in any case should not, REPEAT not, be opened before the price bid opening.

#### Note:

- In tenders, where bidders are required to quote percentage at par/Below/Above the estimated cost put to tender, bidders will be asked to offer "additional reduction in percentage on the estimated cost put to tender".
- In other complex cases also, similar provisions with suitable modifications(wherever required) in format to seek percentage reduction shall be decided by the work centre while retaining the intent of the provisions notified herein.

### 2.) Cases where Price bids have already been opened:

In cases where price bids have already been opened, reasonability of rates should be established by tender committee after factoring in the changed market conditions in addition to provisions already existing. Further in all such cases, consent of Director concerned will be obtained prior to release of NOA after approval of CPA, except cases approved by Director/EPC.

Above directives of Executive Committee should be meticulously followed by all concerned with immediate effect.

**ED-Chief MM Services** 

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