



PMC Cell – MM

Oil and Natural Gas Corporation Ltd
Corporate Materials Management
2nd Floor, Tower-A, Deendayal Urja Bhawan,
5, Nelson Mandela Marg, Vasant Kunj, New Delhi -110 070
Tel – (011)26752004 Fax – (011) 26129091

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Sub: Limiting of charges/amounts such as mobilization charges, demobilization charges, standby charges, rental charges, non-operating day rates, R&M Charges etc.

Reference is invited to the provisions in Standard BEC for Service Contracts which stipulate that offers of those bidders who quote charges higher than the specified limits specified in the BEC, shall be rejected (wherever such limits specified).

EPC in its meeting (19/2018) held on 27.08.2018 reviewed the subject provisions and opined that wherever limits are specified for charges / amounts w.r.t various parameters such as mobilization charges, demobilization charges, standby charges, rental charges, non-operating day rates, R&M Charges etc. in BEC, the bidders must adhere to such limits. However, after opening of the price bids, if it is observed that such charges/amounts quoted by the bidder(s) are higher than the limit for such parameters specified in the BEC, the offer(s) of such bidder(s) shall be evaluated restricting the charges/amounts upto the specified limit. Contract (in case bidder becomes L-1) shall also be awarded restricting the charges/amounts upto specified limit. Bidders shall be asked to submit an undertaking in this regard alongwith techno-commercial bid as per format at Appendix-A. This undertaking shall also be incorporated in notes to the Price Schedule.

Accordingly, as per directive of EPC, the modifications has been carried out to the existing provisions in standard BEC for Hiring of Services as per enclosed Appendix-I. Similar provisions shall be incorporated in BEC for Charter hire of Rigs also.

Above guidelines should be meticulously followed by all concerned.

Ashwini Nagia
31/11/18

(Ashwini Nagia)
ED-Chief MM Services

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2. CEA to Director (T&FS) / Director (Offshore) / Director (HR) / Director (Exploration)/Director (Onshore) / Director (Finance), ONGC, New Delhi.
3. CVO, ONGC, New Delhi.

Statement showing Existing vis-à-vis modified provisions of BEC for Service Contracts

Clause No.	Existing Provisions	Proposed modified Provisions
B.2 Commercial rejection criteria of BEC		
Clause 4.0 (ICB & Indigenous)	Offers of following kinds will be rejected:	Offers of following kinds will be rejected:
4.0 (i) (ICB), 4.0(h) (Indigenous)	Offers of those bidders who quote mobilization charges which are higher than the limit specified in the BEC (wherever such limit is specified).	Deleted (subsequent clauses shall be renumbered accordingly)
4.0 (o) (ICB), 4.0(n) (Indigenous)	Offers of those bidders who quote standby day rates/non-operating day rates higher than 95% of the quoted operating day rates.	Offers submitted without undertaking on Limiting of charges as per Appendix-.....
8.0 (New Clause-ICB) 7.0 (New Clause-Indigenous)	No provision exists	Wherever limits are specified for charges/amounts w.r.t various parameters such as mobilization charges, demobilization charges, standby charges, rental charges, non-operating day rates, R&M Charges etc. in BEC, the bidders must adhere to such limits. However after opening of the price bids, if it is observed that that such charges/amounts quoted by the bidder(s) are higher than the limit for such parameters specified in the BEC, the offer(s) of such bidder(s) shall be evaluated restricting the charges/amounts upto the specified limit. Contract (in case bidder becomes L-1) shall also be awarded restricting the charges/amounts upto specified limit in the BEC. The bidder shall submit an undertaking in this regard alongwith techno-commercial bid as per format at Appendix-.....

		Note: The standby day rates/non-operating day rates quoted by the bidder must not be higher than 95% of the quoted operating day rates.
D. Criteria for loading of bids (Work centers to add as per the requirement of the individual tender) (ICB & Indigenous)	Loading on account of higher service fee than permitted, higher break down time than permitted etc.	No Change

(Applicable wherever limits are specified for various parameters such as mobilization charges, demobilization charges, standby charges, rental charges, non-operating day rates, R&M Charges etc. in BEC)

FORMAT FOR UNDERTAKING ON LIMITING OF CHARGES

(TO BE SUBMITTED ON BIDDER'S LETTERHEAD)

Tender No. _____

With reference to the Notice Inviting Tender, I / We (Name of the bidder) have gone through the tender documents more particularly the BEC clauses and noted the content therein. I / We undertake that I/We shall abide by the Terms and Conditions of the Tender including BEC etc. It is further certified and confirmed that we have quoted the price within the limits specified in BEC for various parameters such as mobilization charges, demobilization charges, standby charges, rental charges, non-operating day rates, R&M Charges* etc.

If by mistake or otherwise I / We have quoted above rates / price beyond the prescribed limit, then I / We hereby give our consent and authorize ONGC to treat the rate / price exceeding the prescribed limit as withdrawn and to evaluate our bid restricting our rates/ prices to the prescribed limits.

I/We hereby give our consent and authorize ONGC to award the contract to us on the price/ rates restricted to prescribed limits and we shall have no objection to any such reduction in our quoted rates/ price.

(* Work centre to delete whichever is not applicable)

(Authorized signatory of bidder)

Seal:

Date:

Place: