

GOVERNMENT OF ODISHA

WORKS DEPARTMENT

OFFICE MEMORANDUM

No. 07764600022025 632 /W., Bhubaneswar Dt. 2.1.26

Sub- Clarification on Works Department Office Memorandum No.173 dt 03.01.2026 regarding Amendment of Codal and Contractual Provisions.

The following clarifications are issued on Works Department Office Memorandum No. 173 dated . 03.01.2026

1. The phrase " ***to abolish the extant provisions of threshold negative bid caps (14.99%) introduced***" in the first para of the Works Department OM No. 173 dated. 03.01.2026 may be read as " ***to abolish the extant provisions of threshold negative bid caps of 15 % introduced vide Works Department OM No. 12366/W dt. 08.11.2013 and amended vide Works Department OM No. 1437 dt, 31.01.2023***"
2. If more than one bid is quoted (decimal up to two numbers will be taken for all practical purposes), either at the estimated cost put to tender or less than the estimated cost put to tender, the tender accepting Authority will finalize the tender through a transparent lottery system, where all the concerned bidders/their authorized representatives, the concerned SE/EE of the concerned Division and Divisional Accounts Officer (DAO) will remain present.
3. If the rate quoted by the SC and ST Category Contractors comes to the rate quoted by the L1 bidder(decimal up to two numbers will be taken for all practical purposes) after availing 10% price preference as per Para 2 of Works Department Resolution No. 27748 dated. 11.10.1977, the tender shall be finalized by the tender accepting authority through a transparent lottery system along with other categories of contractors.
4. As regards the bidding process in which the tender has been floated before the issue of Works Department Office Memorandum No.173 dt 03.01.2026, the bid shall be finalized as per the earlier provisions in Appendix-IX, Clause 36 of OPWD Code Volume-II.
5. This has been concurred in by the Finance Department in File No **FIN-WF1-MISC-0102-2025**

By order of the Governor



Principal Secretary to Government

Memo No. 633 /W, dated 9.1.26

Copy along with soft copy forwarded to Gazette Cell, Commerce and Transport (Commerce) Department, Bhubaneswar, for information and necessary action.

They are requested to publish the Office Memorandum in the extraordinary issue of the Gazette and supply 20 (twenty) copies to this Department.

Dee 09.01.2026

EIC-cum-Special Secretary to Government

Memo No. 634 /W., Dt. 9.1.26

Copy forwarded to the P.S. to the Hon'ble Chief Minister, Odisha for the kind information of the Hon'ble Chief Minister.

Dee 09.01.2026

EIC-cum-Special Secretary to Government

Memo No. 635 /W., Dt. 9.1.26

Copy forwarded to the P.S. to the Hon'ble Minister, Law, Works, Excise, Odisha for the kind information of the Hon'ble Minister.

Dee 09.01.2026

EIC-cum-Special Secretary to Government

Memo No. 636 /W., Dt. 9.1.26

Copy forwarded to the OSD to the Chief Secretary, Odisha, for the kind information of the Chief Secretary, Odisha.

Dee 09.01.2026

EIC-cum-Special Secretary to Government

Memo No. 637 /W., Dt. 9.1.26

Copy forwarded to Sr. P.S. to the DC-cum-ACS, Odisha, for the kind information of the DC-cum-ACS, Odisha.

Dee 09.01.2026

EIC-cum-Special Secretary to Government

Memo No. 638 /W., Dt. 9.1.26

Copy forwarded to Principal Accountant General (A&E), Odisha, Bhubaneswar/ Principal Accountant General (E & SR Audit), Odisha, Puri Branch, Puri for kind information and necessary action.

209.01.2026

Memo No. 639 /W., Dt. 9.1.26

EIC-cum-Special Secretary to Government

Copy forwarded to P.S. to the Principal Secretary to Govt., Finance Department/ H & UD Department/ Works Department for the kind information of the Principal Secretary, Finance Department/ H & UD Department/ Works Department respectively.

209.01.2026

EIC-cum-Special Secretary to Government

Memo No. 640 /W., Dt. 9.1.26

Copy forwarded to P.S. to the Commissioner-cum-Secretary to Govt., RD Department/ PR&DW Department for the kind information of the Commissioner-cum-Secretary, RD Department/ PR&DW Department respectively.

209.01.2026

EIC-cum-Special Secretary to Government

Memo No. 641 /W., Dt. 9.1.26

Copy forwarded to the Finance Department/ H & UD Department/ RD Department/ PR&DW Department/DoWR/ all other Departments for information and necessary action.

209.01.2026

EIC-cum-Special Secretary to Government

Memo No. 642 /W., Dt. 9.1.26

Copy forwarded to the FA-cum-Special Secretary to Government, Works Department for kind information and necessary action.

209.01.2026

EIC-cum-Special Secretary to Government

Memo No. 643 /W., Dt. 9.1.26

Copy forwarded to all Collectors & DMs for information and necessary action.

209.01.2026

EIC-cum-Special Secretary to Government

Memo No. 644 W., Dt. 9.1.26

Copy forwarded to EIC(Civil-cum-Roads), Odisha /EIC, Water Resources, Odisha/ EIC, Rural Works, Odisha/ EIC (PH), H&UD Department/ EIC (RWSS) PR&DW Department/ EIC, DPQ, Odisha/ EIC, NHs, Odisha/ EIC-cum-Managing Director, OB & CC Ltd., Bhubaneswar, Odisha/ Chief Engineer, Roads-I & II, Odisha / Chief Engineer, Buildings-I & II, Odisha / Chief Engineer, NHs, Odisha/ Chief Engineer, Bridges, Odisha / Chief Engineer, P&IP, Odisha / Chief Engineer, RD &QP, Odisha /Chief Engineer, RW-I & II, Odisha / Chief Engineer, PH (Urban), Odisha / Chief Engineer, Electricity, Odisha / Managing Director, OCC Ltd., Bhubaneswar/ all State PSUs for kind information and necessary action.

29.01.2026

EIC-cum-Special Secretary to Government

Memo No. 645 W., Dt. 9.1.26

Copy forwarded to DDG & State Informatics Officer. National Informatics Centre, Odisha State Centre, Bhubaneswar, Email- sio-ori@nic.in for information and necessary action.

29.01.2026

EIC-cum-Special Secretary to Government

Memo No. 646 W., Dt. 9.1.26

Copy forwarded to the Chief Executive Officer (Administrative), Odisha Computer Application Centre(OCAC), Bhubaneswar, for information and necessary action.

29.01.2026

EIC-cum-Special Secretary to Government

Memo No. 647 W., Dt. 9.1.26

Copy forwarded to all EICs/CEs/CCEs/ SEs/ EEs of the Works Department for kind information and necessary action.

29.01.2026

EIC-cum-Special Secretary to Government

Memo No. 648 W., Dt. 9.1.26

Copy forwarded to Roads Section/ A/C-I Section /A/C-II Section/ Plan Section / Building Section / Budget Section / N.H. Section / FC & AA Section, Works Department for information and necessary action

29.01.2026

EIC-cum-Special Secretary to Government



GOVERNMENT OF ODISHA
WORKS DEPARTMENT

OFFICE MEMORANDUM

No. 07764600022025 173 /W., Bhubaneswar Dt. 03/01/26

Sub:- Amendment of Codal & Contractual Provisions.

After careful observation, Government has been pleased to abolish the extant provisions of threshold negative bid caps (14.99%) introduced in Appendix-IX, Clause 36 of OPWD Code Volume-II in the procurement of works undertaken by the Govt of Odisha and its agencies to ensure the procurement process results in a viable and successful manner with adoption of following incremental **Additional Performance Security(APS)** system:

1. Additional performance security shall be taken on an incremental basis from the selected bidder for low bid prices in the project works as under:

I. where the bid price is below 0% but not below 10% of the project cost put to bid, no additional performance guarantee/security percentage is required.

II. where the bid price is below 10% but not below 20% of the project cost put to bid, the additional performance guarantee/security percentage shall be incremented by 0.1% for every percentage of bid price below 10% of the project cost put to bid starting at 11% with the additional bid performance guarantee being 0.1% and this additional performance guarantee percentage shall be applied on the bid price;

III. where the bid price is 20% or more below of the project cost put to bid, the additional performance guarantee percentage shall be incremented by 0.2% for every percentage of bid price below 20% of the project cost put to bid in addition to 1% of the bid price and this additional performance guarantee percentage shall be applied on the bid price;

IV. The additional performance guarantee percentage shall be rounded off to the next lower percentage based on whether the decimal point of the percentage of bid price is below 0.5% or next higher percentage based on whether the decimal point of the percentage of bid price is 0.5% or more.

V. The additional performance security shall be treated as part of the performance security.

VI. Justification for abnormally low bids shall be scrutinized by the Departmental Technical Committee and recommended to the competent authority of the Administrative Department for the approval of the Additional Performance Security(APS). An abnormally low bid is one in which the Bid price, in combination with other elements of the Bid, appears so low that it raises material concerns as to the capability of the Bidder to perform the contract at the offered price. Procuring Entity may, in such cases, seek written clarifications from the Bidder, including detailed price analyses of its Bid price in relation to scope, schedule, resource mobilization, allocation of risks and responsibilities, and any other requirements of the bid document. If, after evaluating the price analyses, the procuring entity determines that the Bidder has substantially failed to demonstrate its capability to deliver the contract at the offered price, the Procuring Entity may reject the Bid/ Proposal. However, it would not be advisable to fix a normative percentage below the estimated cost, which would automatically be considered as an abnormally low bid.

2. These amendments shall take effect from the date of issue of the O.M.

3. Accordingly, the relevant existing codal/contractual provision stands modified with effect from the date of issue of this O.M.

4. This has been concurred in by the Finance Department vide **File No. FIN-WF1-MISC-0102-2025**

By order of the Governor

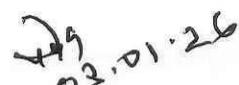


Principal Secretary to Government

Memo No. 174 /W, dated 03/01/26

Copy along with soft copy forwarded to Gazette Cell, Commerce and Transport (Commerce) Department, Bhubaneswar, for information and necessary action.

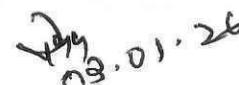
They are requested to publish the Office Memorandum in the extraordinary issue of the Gazette and supply 20 (twenty) copies to this Department.



EIC-cum-Special Secretary to Government

Memo No. 175 /W., Dt. 03/01/26

Copy forwarded to the P.S. to the Hon'ble Chief Minister, Odisha for the kind information of the Hon'ble Chief Minister.



EIC-cum-Special Secretary to Government

Memo No. 176 /W., Dt. 03/01/26

Copy forwarded to the P.S. to the Hon'ble Minister, Law, Works, Excise, Odisha for the kind information of the Hon'ble Minister.

24.01.26

EIC-cum-Special Secretary to Government

Memo No. 177 /W., Dt. 03/01/26

Copy forwarded to the OSD to the Chief Secretary, Odisha, for the kind information of the Chief Secretary, Odisha.

24.01.26

EIC-cum-Special Secretary to Government

Memo No. 178 /W., Dt. 03/01/26

Copy forwarded to Sr. P.S. to the DC-cum-ACS, Odisha, for the kind information of the DC-cum-ACS, Odisha.

24.01.26

EIC-cum-Special Secretary to Government

Memo No. 179 /W., Dt. 03/01/26

Copy forwarded to Principal Accountant General (A&E), Odisha, Bhubaneswar/ Principal Accountant General (E & SR Audit), Odisha, Puri Branch, Puri for kind information and necessary action.

24.01.26

EIC-cum-Special Secretary to Government

Memo No. 180 /W., Dt. 03/01/26

Copy forwarded to P.S. to the Principal Secretary to Govt., Finance Department/ H & UD Department for the kind information of the Principal Secretary, Finance Department/ H & UD Department respectively.

24.01.26

EIC-cum-Special Secretary to Government

Memo No. 181 /W., Dt. 03/01/26

Copy forwarded to P.S. to the Commissioner-cum-Secretary to Govt., RD Department/ PR&DW Department for the kind information of the Commissioner-cum-Secretary, RD Department/ PR&DW Department respectively.

24.01.26

EIC-cum-Special Secretary to Government

Memo No. 182 /W., Dt. 03/01/26

Copy forwarded to the Finance Department/ H & UD Department/ RD Department/ PR&DW Department/DoWR/ all other Departments for information and necessary action.

24.01.26

EIC-cum-Special Secretary to Government

Memo No. 183 /W., Dt. 03/01/26

Copy forwarded to the FA-cum-Special Secretary to Government, Works Department for kind information and necessary action.

24/03.01.26

EIC-cum-Special Secretary to Government

Memo No. 184 /W., Dt. 03/01/26

Copy forwarded to all Collectors & DMs for information and necessary action.

24/03.01.26

EIC-cum-Special Secretary to Government

Memo No. 185 /W., Dt. 03/01/26

Copy forwarded to EIC(Civil-cum-Roads), Odisha /EIC, Water Resources, Odisha/ EIC, Rural Works, Odisha/ EIC (PH), H&UD Department/ EIC (RWSS) PR&DW Department/ EIC, DPQ, Odisha/ EIC, NHs, Odisha/ EIC-cum-Managing Director, OB & CC Ltd., Bhubaneswar, Odisha/ Chief Engineer, Roads-I & II, Odisha / Chief Engineer, Buildings-I & II, Odisha / Chief Engineer, NHs, Odisha/ Chief Engineer, Bridges, Odisha / Chief Engineer, P&IP, Odisha / Chief Engineer, RD &QP, Odisha /Chief Engineer, RW- I & II, Odisha / Chief Engineer, PH (Urban), Odisha / Chief Engineer, Electricity, Odisha / Managing Director, OCC Ltd., Bhubaneswar/ all State PSUs for kind information and necessary action.

24/03.01.26

EIC-cum-Special Secretary to Government

Memo No. 186 /W., Dt. 03/01/26

Copy forwarded to all CCEs/ SEs/ EEs of the Works Department for kind information and necessary action.

24/03.01.26

EIC-cum-Special Secretary to Government

Memo No. 187 /W., Dt. 03/01/26

Copy forwarded to Roads Section/ A/C-I Section /A/C-II Section/ Plan Section / Building Section / Budget Section / N.H. Section / FC & AA Section, Works Department for information and necessary action

24/03.01.26

EIC-cum-Special Secretary to Government