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

Circular no. 21/2020 cum-Integrated MM Manual Amendment No. MM/57/2020

No: MAT/PMC/13(220)/2020 Dated:01.05.2020

Sub: Relative Weightage (Technical: Price) for Quality and Cost in QCBS methodology

Reference is invited to para no. 11.3.2 of Integrated MM Manual wherein interalia relative Weightage (Technical: Price) for quality and cost to be assigned for services listed therein has been provided. EPC, in its meeting (04/2020) held on 17.03.2020, examined the existing provisions and decided that the CoD shall be fully empowered to modify and approve Technical: Price weightage. The Technical: Price weightage as stipulated under Integrated MM Manual para 11.3.2 stands deleted. The weightage of respective technical parameters (QCBS matrix) alongwith relative Weightage (Technical: Price) for quality and cost shall be proposed by the Working Group of Indenting Section at the work center duly recommended by the concerned Key Executive and put by Chief MM for the approval of CoD.

In accordance, with the decisions taken in the aforesaid meeting of EPC, provisions under relevant paras of Integrated MM Manual stand modified as per enclosed Appendix-1.

Above guidelines should be meticulously followed by all concerned.

ED-Chief MM Services

<u>Distribution:</u> (Through ONGC's intranet website 'reports.ongc.co.in').

All concerned may download the circular from the site. Hard copies are not distributed separately.

Copy through e-mail to:

- 1. EO to CMD, ONGC, New Delhi.
- 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 Integrated MM Manual

 $4.1\,$ In view of foregoing, provisions under para 11.3.3 of Integrated MM Manual are proposed to be modified as under:

Para No.	Existing Provisions		Modified Provisions	Remark
influe abov proc (Tec	sidering the ence and value in the ence and value in the ence property of the ence in the ence property of the ence ence ence ence ence ence ence en	weightage quality and	Considering the technical influence and value impact of the above services proposed to be procured, relative Weightage (Technical: Price) for quality and cost shall be proposed by Indenting department.	Underlined portion modified. Table deleted.
techr deter	Advertising Agencies Architectural firms Attornies Trainers Faculty Management Consultants Expecialized Consulting Services Event Management Agencies	shall be Indenting	The degree of technical influence shall be determined by Indenting department based on various parameters. An indicative list of such parameters is provided hereunder: i. Importance of Technical competence > Certifications > Product/service conformance to norms/specs > Expected life time (if applicable) > Importance of experience of firm or key personnel (as applicable) ii. Importance of Service levels > Timely delivery > Lead time > Warranty and support experience > Support coverage iii. Degree of differentiation of offerings > Technological similarity of offerings > Functional Substitutability of competing offerings Value impact of tender will also be determined by Indenting	

Aibath.

hereunder:

- i. Importance of Technical competence
- > Certifications
- Product/service conformance to norms/specs
- Expected life time (i applicable)
- Importance of experience of firm or key personnel (as applicable)
- ii. Importance of Service levels
- > Timely delivery
- Lead time
- Warranty and support experience
- Support coverage
- iii. Degree of differentiation of offerings
- Technological similarity of offerings
- Functional Substitutability of competing offerings

Value impact of tender will also be determined by Indenting department.

QCBS methodology shall implemented while awarding contracts for procurement/hiring of all E&P services in future. Similar QCBS matrix be firmed up for charter hiring of drilling rigs and other E&P services. The QCBS matrix be firmed up by the working group for factoring in the practices being followed ONGC Videsh and other PSUs in awarding contracts through QCBS methodology.

11.3.3 Considering the technical influence and value impact of the service proposed to be procured, for applicability of QCBS Indentor shall obtain the approval of a Committee of Directors (CoD) comprising of Director (Finance), Director-I/c MM and Director concerned. The weightage of respective technical parameters (QCBS matrix) shall be proposed

QCBS methodology shall be while implemented awarding contracts for procurement/hiring of all E&P services in future. Similar QCBS matrix be firmed up for charter hiring of drilling rigs and other E&P services. The QCBS matrix be firmed up by the working group for factoring in the practices being followed by ONGC Videsh and other PSUs in awarding contracts through QCBS methodology.

Considering the technical influence and value impact of the service proposed to be procured, for applicability of QCBS and relative Weightage (Technical: Price) for quality and cost to be adopted, Indentor shall obtain the approval of a Committee of Directors (CoD) comprising of Director (Finance), Director-I/c MM and Director concerned. The

Underlined portion modified.

de path

by the Working Group at the work center duly recommended by the concerned Key Executive and put by Chief MM for the approval of CoD. CoD shall be fully empowered to modify and approve Technical: Price weightage.

The weightage of respective technical parameters (QCBS matrix) alongwith relative Weightage (Technical: Price) for quality and cost shall be proposed by the Working Group of Indenting Section at the work center duly recommended by the concerned Key Executive and put by Chief MM for the approval of CoD.

Lipatu