

## Oil and Natural Gas Corporation Ltd

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Circular no. 60/2020-cum-Integrated MM Manual Amendment No. 62/2020

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Sub: Modifications to the provisions of Integrated MM Manual, pertaining to procurement of Premium Bits on "Consignment basis"

In accordance with the decisions taken in the EPC meeting (05/2015), (18/2015 & 21/2015) and (19/2018) held on 03.02.2015, 09.06.2015 & 08.07.2015 and 27.08.2018 respectively, provisions under para 28 of Integrated MM Manual pertaining to procurement of Premium Bits on "Consignment Basis" stand modified as per enclosed Annexure-1.

Above guidelines should be meticulously followed by all concerned.

**ED-Chief MM Services** 

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## Annexure-I

## Existing vis-à-vis modified provisions of Integrated MM Manual

Para No.	Existing Provisions	Modified Provisions
28	Procurement of Premium Bits on "Consignment basis"	Procurement of Premium Bits on Consignment basis" and through out right purchase (Rate Contract)
28.1.1	Procurement of Bits should be on the basis of QCBS tender through ICB bids. The weight of quality /technical content in the overall bid selection criteria can be as high as 100%.	Procurement of Bits should be on the basis of QCBS tender through ICB bids. The weight of quality /technical content in the overall bid selection criteria can be as high as 100%.  Bits shall be procured under following two categories:  (i) Uncommon and special premimum bits shall be procured on "Consignment Basis".  (ii) Premimum bits required for regular and routine usages shall be procured through Rate Contract model.  Chief Drilling Services shall develop suitable
		mechanism to ensure that there is no built-up of inventory of premimum bits.
28.1.6	Selection of suitable TCR/PDC bit of any size from the available lot of bits will be made by ONGC.	Bidder should submit price bids separately for each "Type and Size of bits", as per the following:  1. 17 1/2" TCR bits. 2. 12-1/4" TCR bits.
		3. 8-1/2" TCR bits. 4. 6" TCR bits. 5. 17-1/2" PDC bits. 6. 12-1/4" PDC bits. 7. 8-1/2" PDC bits. 8. 6" PDC bits.
		Bidder can quote for minimum one "Type and Size of

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			bits" and maximum eight "Type and Size of bits" as per above details. Bits are required for Petroleum Operations/ NELP areas. Bidder has to quote for all work centre of ONGC (as per the list attached) of the quoted Type and Size of bit.  Since features of the bits for any particular size and type are different for different bidders, bidders to furnish details of the bits in the format as per Annexure(work centre to indicate Annexure No. and enclose the same).
			Bidders to submit size and type wise (TCR & PDC) bit details in the format specified (Bit Format-TCR and Bit Format-PDC / Bi-Centre / Impreg / Others) for evaluation purpose in technical bid. Bidders to mention any additional feature & its advantage against each type of bit in that same format. Based on these information furnished in the bit format for each size and type of bits, nearest common bits will be identified and the list of such bits for each size and type shall be made before price bid opening.
			ONGC's decision on selection of nearest common bits will be final and will be informed to shortlisted bidders, before price bid opening.
			Primarily size & IADC (for TCR only) will be matched. Common design features will be matched next against bits nomenclature of shortlisted bidders of each category. If minimum eighty percentages (80%) of design features as per bit format is matched, it will be considered as common bit.
28.1.8	days of placement of S. shall be placed by the	the initial quantity within 35 D. Subsequent call-out orders authorized representative of guired. Such call out quantity	Supplier shall mobilize the initial quantity within 35 days of placement of S.O. Subsequent call-out orders shall be placed by the authorized representative of ONGC, as and when required. Such call out quantity has to be
	ONCO, as and when re	Mulieu. Guen can out quantity	as and when required. Such call out quantity has to be

	has to be delivered within 15 days of issue of call-out order.	delivered within 15 days of issue of call-out order.
28.2	Payment Process	Payment Process
28.2.1	Invoice shall be raised by supplier on monthly basis for bits consumed during the month and the bits retained by ONGC at the end of contract period	Invoice shall be raised by supplier on monthly basis for bits consumed during the month and the bits retained by ONGC at the end of contract period  There shall be no minimum guaranteed off-take by ONGC. Payment shall be released by ONGC only for the actual quantity consumed or retained beyond 06 months by ONGC as per contract provisions.
28.4.2	Two Bids System shall be followed in the Price Bid and bidder shall submit the price list of the offered products. The price list shall cover the sizes required by ONGC for TCR & PDC bits under their product range. Bidder shall submit separate sealed price covers for each size of Bits, say 17 ½", 12 ¼", 8 ½" & 6". For any other sizes Appendix9&10 will be framed by Bit Committee [as constituted by Director (T&FS)] on requirement basis.	Two Bids System shall be followed in the Price Bid and bidder shall submit the price list of the offered products. The price list shall cover the sizes required by ONGC for TCR & PDC bits under their product range. Bidder shall submit separate sealed price covers for each size of Bits, say 17 ½", 12 ¼", 8 ½" & 6". For any other sizes Appendix9&10 will be framed by Bit Committee [as constituted by Director (T&FS)] on requirement basis.
28.4.3	Bidders shall be technically ranked as per the net marks scored against the evaluation criteria placed at Appendix 9. Bidder(s) scoring highest net marks will be ranked as TR-1, the next highest as ranked as TR-2 and so on.	After techno-commercial evaluation, the price bids of the top three highest technically ranked bidders (i.e. TR-1,TR-2 & TR-3) for each size and type of bit will be shortlisted for price bid opening subject to obtaining minimum of 45 marks as per evaluation criteria indicated at clause(Clause no. to be indicated by wortkcentre) of BEC. In case of tie in highest technically ranked bidders who are obtaining same marks, their inter-alia ranking as TR-1 TR-2 & TR-3 and so on ) will be decided on the basis of highest marks in "B" in respect of specific information as per the evaluation criteria specified at Appendix-9.Top three bidders above 45 marks are to be selected for price bid opening against each size & type
28.4.4	Contract is to be awarded to the top ranked bidder as per procedure given below:	The following methodology will be followed for finalization of contracts:

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	(b) of b resp eval be of	In case only bid of such In case of tie idder ranked bect of 'bit luation criteri opened.	in k as spea sp	bidders rate TR-1, with ecific in pecified a	anked as th highes formation at Append	TR-1, pr t marks in as pe dix 9, sha	ice bid n 'B' in er the all only	cate be a TR- be a ty v of r doe the mat to t neg reas DS, Cen they ratio	case TR-1 happegory, 100% qualified awarded to him 1 happens to be awarded to L1 by till be awarded ates with L 1 bids not match, L3 L1 rate and if tich the L1 rate, he L1 bidder. How totate the prices we conability before a MR will monitor that the sand in cook will ensure that as per the RC.	antities for and in care the L 1 bidder and to L2 bidder. Furth bidder with none of 100% quared of continuous to quantities	the comese a bidder, 60 remaining ter subject er, in continuous the bidder for assentiated.  placed by with the seare discontinuous the bidder for assentiated by the bidder for assentiat	mon iteder other other of the months of the	ems will ner than ntity will of quanti natching of bidder of match gree to awarded right to ning rate  us Work Centres, d in the
Appendi x 9 - A		endix 9 Criteri remium Bits on A.			basis	for Procu		Pren	endix 9 Criteria for I nium Bits on Cons hase (Rate Contract A.	ignment ba		hrough	out right
	SI	Parameter		Allocation	of Marks	Weight age Factor	Mar ks	SI 1	Parameter  Experience of Bit Manufacturer (Minimum	Bidder with 20	of Marks	Weig htage Facto r	Marks
	1	Experience Bit Manufactu (Minimum Required experience	of irer	Highest among the bidders	100	0.05			Required experience - 5 (Five) Years  Maximum experience 20 years)  Both TCR and PDC and others	Years' experienc e others	Percent age to the highest		

		Five Years)	others	Percer age the highes	to								
	2	Sales volume of Bits for the last three	Highest among the bidders	100	0.05		2	Sales volume of Bits for the last three	Highest among the bidders	100	0.10		
		years	Others	Percent age to the highest				years	Others	Perce ntage to the highe st			
	3	Expenditure on R&D for the last three years	Highest among the bidders	100	0.10		3	Expenditure on R&D for the last three years	Highest among the bidders	100	0.05		
			Others	Percent age to the highest					Others	Perce ntage to the highe st			
A	D D'						ě.		`				
Appendi x 9 - B		Specific Informa	ation				B. Bit	Specific Information (No. 1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	ation:				
B. 1		-1/2" Bit						-1/2" Bit					
	SI. No.	Parameters	Allocation Marks		Weighta ge Factor	Mark s	SI. No.	Parameters	Allocation of	Marks	Weight age Factor	Mar ks	

4.2	Supply bits (during years below mention leading	(Nos.) last 3 to	Highe amono the bidder	3	100	0.20		2	Supply bits (N during la: years below mentione leading	to	Highest among the bidders	100	0.26	
	compar Supply	of (Nos.) last 3 to last 3 to last 3	others		Perce ntage to the highe st				1.Shell 2.BP 3.Exxon bil 4.Total 5.Cheven 6.Conoco Phillips 7.Saudi Aramco 8.Petrobr 9.Statoil 10. Petro	Mo on 2	others	Percenta ge to the highest	ÿ	
4.3	Suppl y of bits to Indian Comp anies durin	Offsh	High amo the bidd othe	ng ers	Perce ntage	0.05		4.3	Supply of bits to Indian Compa nies during	Offs	Highest among the bidders		0.02	
	g last 3 years (Nos.)	ore			to the highe		-		last 3 years (Nos.)	hor e	others	Percentage to the highest	0	
	i I	Onsh ore	High amo the bidd	ng	100	0.05				Ons hor e	Highest among the bidders		0.02	
			othe	rs	Perce ntage to the highe st						others	Percen age t the highes	0	

4.4	Performance	of bits (	Last three	years)		4.4	Performance	of bits (L	ast three y	ears)	
	Best Five bits depth in 2000 M to 3999 M	Total Meter age	Highest among the bidders	100	0.03		Best Five bits depth in 2000 M to 3999 M	Total Metera ge	Highest among the bidders	100	0.07
			others	Percent age to the highest					others	Percent age to the highest	
		Avera ge ROP	Highest among the bidders	100	0.03			Averag e ROP	Highest among the bidders	100	0.07
			others	Percent age to the highest					others	Percent age to the highest	
	Best Five bits depth in 4000 M to 4999 M	Metera	Highest among the bidders	100	0.05		Best Five bits depth in 4000 M to 4999 M	Meterag	Highest among the bidders	100	0.08
			others	Perce ntage to the highe st				a I	others	Perce ntage to the highe st	
		Avera ge ROP	Highest among the bidders	100	0.05			Averag e ROP	Highest among the	100	0.08
			others	Perce ntage to the					bidders others	Perce	>

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		Best Five bits depth in above 5000 M	Total Meter age	Highest among the bidders others	Perce ntage to the highe st		*.		Best Five bits depth in above 5000 M	DE	highe st		
B. 2		-1/4" Bit	Avera ge ROP	Highest among the bidders	Perce ntage to the highe st			- 10					
B. 2	SI. No.	Parameters		Allocation Marks	of	Weight age Factor	Mark s	SI. No.	-1/4" Bit Parameters	Allocation Marks	of	Weight age Factor	M ar ks
	5.2	last 3 years below mentioned leading companies:	ring a sto the state of the sta	t	Percen age to he highest	0.10		5.2	Supply of bi (Nos.) during last 3 years below mentioned leading companies:  1.Shell 2.BP 3.Exxon Mobil 4.Total 5.Cheveron 6.Conoco Phillips 7.Saudi Aramo	among the bidders	Percenta ge to the highest	0.16	

								8.Petro 9.Stato 10. <u>Pet</u>	il					
	5.3	Suppl y of bits to Indian		Highest among the bidders	100	0.05	5.3	Suppl y of bits to Indian		Highest among to bidders	100	9	0.02	
		Comp anies durin g last 3 years (Nos.)	Offshor e	others	Percent age to the highest			Comp anies durin g last 3 years	Offsh ore	Others	Perc age the high	to		
		(NOS.)	Onshor e	Highest among the bidders others	Percent			(Nos.)	Onsh ore	Highest among to bidders			0.02	
В. 3	For 8 1	1/2" Bit			age to the highest		For 8 1	1/2" Bit		others	Perc age the high	to		
	6.2	Supply (Nos.)		Highe st amon g the bidder s	100	0.10	6.2	Supply (Nos.)	during years to ned	j st	100	0.1	16	
			<u>fina</u> il bras	others	Percent age to the highest			8.Petro	n Mobil eron co i Aramco bras	others	Percent age to the highest		٠,	
-								9.Stato 10. <u>Pet</u>	I					

	6.3	Suppl y of bits to India n Com panie s durin g last 3 years (Nos.	Offshor e Onshor e	Hi an the	dders hers ghest	Percer age 1 the highes 100	0.05		5.3	Suppl y cf bits to India n Com panie s durin g last 3 years (Nos.)	Offsh ore Onsh ore	Highest among bidders Others Highest among bidders others	the	Percage the high	cent to est	0.02	
						the highes	st				-			high	est		
B. 4	7.2	Supply (Nos.) last 3 y below mentione leading compani  1. 2.Cheve 3.BP 4.Agip 5. Totalfi 6.Statoil 7.Petrob 8.Unoco 9.Exxcoi 10.Kerr l	during vears to led les: Shell ron lina lina lina lina lina Mobil	Higg st among g t biddes s	on the der ers	Percent age to the highest	0.10		7.2		ed es:  Mobil ron O Aramco	Highe st amon g the bidder s	age the	cent to	0.16		
	7.3	Suppl y of bits to Indian Comp	1	lighe amor he oidde	ng	100	0.05		4.3	Suppl y of bits to Indian Comp		Highest among the bidders	10	00	0.02		

	anie: durir g la: 3 year: (Nos	Offsh ore	r t	Perce Intage o the highe			anies durin g last 3 years (Nos.)	Offsh ore	1	Perce ntage to the highe st		
		ore	Highest among the bidders	0.0	5			ore	Highest among the bidders	100	0.02	
			r t	Perce ntage o the nighe st			8	_		Perce ntage to the highe st		
Appendi x 10	Details and under Procu				luation of Bits				to be subm		r eva	luation of Bits
3.12	Following info and 6" Bits three years.	ormation is to separately. T	be provided	for 17-1/2"	, 12-1/4", 8-1/2" is for the last	Follow	ng infor	nation is t	o be provide	d for 17	7-1/2", ed s fo	12-1/4", 8-1/2" or the last three
	Bits	Sales Volume of Bits during last three years	Any publishe d authentic documen t	Respons e fron bidder		Bits	c c li	Sales /olume of Bits during ast three	Any publishe d authentic documen t	Respo e f bidde	fram	Supporti ng Documen ts enclosed
	Multinatio nal clients	No. of Premium bits supplied to following companie s during last three years: 1. Shell 2.Chevero n 3.BP 4.Agip 5. Totalfina 6.Statoil 7.Petrobras 8.Unocol 9.Exxcon Mobil				Multir nal cl	natio Mient) F	John of Premium oits supplied of collowing companie and three rears:-  1. Shell 2. BP 3. Exxon Mobil of Chevero	Purchase reference, annual reports or any other authentic document s.			

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10.Kerr	n	
Mcgee	 6. <u>Conoco</u>	
	Phillips	
	7. <u>Saudi</u>	
	Aramco 3.Petrobr	
	as	
	9.Statoil	
	10.	
	Petronas	

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