

Oil and Natural Gas Corporation Ltd

Corporate Materials Management

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Sub: Mobilization of units/tools beyond the scheduled date for Mobilization.

While examining a particular case, CAG, in its Commercial Audit Report-2019 has pointed out that ONGC did not adequately safeguard its commercial interests by not incorporating appropriate clause in the contract for reserving its rights to conduct on-hire survey of rental equipment after expiry of the agreed mobilization period. It calls for suitable measures to be taken to avoid such type of instances in future.

In contracts where mobilization notice for tools / chemicals / goods / services / facilities etc. is dependent on mobilization/availability of main service (e.g. Rigs) being hired through other contracts, notice for mobilization of such tools / chemicals / goods / services / facilities etc. is given by indenting section depending on availability of such service through other contract. In case of delay in deployment of main service (e.g. Rigs), there should be commensurate deferment in mobilization of such tools / chemicals / goods / services / facilities etc. In this regard, all concerned are advised to keep provision in the contract to re-schedule the mobilization of such tools / chemicals / goods / services / facilities etc. by a suitable period depending on situation prevailing at that point of time with the approval of competent authority by giving 30 days notice on each occasion.

Above guidelines should be meticulously followed by all concerned.

(Sanat Kumar) ED-Chief MM Services

Gusthren

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