

## Oil and Natural Gas Corporation Ltd Corporate Materials Management

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Circular No. 26/2016

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## Sub: Minimizing award of contracts on nomination basis.

Reference is invited to circular No. 08/2010 dated 04.02.2010, 22/2011 dated 14.06.2011 and 13/2014 dated 25.09.2014, wherein in order to minimize procurement on nomination basis, guidelines have been issued that all the future requirement must be met through tendering process by ensuring that the cases are processed in time for procurement of goods/services to meet the operational requirement, so that award of contracts on nomination basis can be avoided.

The issue of award of contracts on nomination basis has been deliberated again in the 282<sup>nd</sup> Meeting of the Board of Directors of ONGC, held on 26<sup>th</sup> May, 2016, wherein it has been re-iterated that procurement on nomination may be minimised to the extent possible and new contracts may be put in place in time to avoid renewal of old contracts on nomination basis. This is more important in the context of falling crude oil prices resulting in lower price of oil field material and services.

Above directives of Board should be meticulously followed by all concerned.

(C.R. Mohanty) ED-Chief MM Services

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