



PMC Cell – MM

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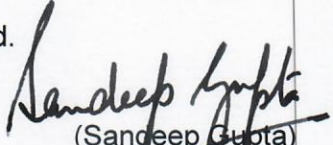
Sub: Minimizing Award of Contracts on Nomination basis.

Reference is invited to Para No. 8.5.1 of Integrated MM Manual and Circular Nos. 06/2022 dated 28.01.2022, 12/2021 dated 02.06.2021, 24/2019 dated 17.10.2019, 21/2018 dated 25.04.2018 and 26/2016 dated 22.06.2016, wherein in order to minimize procurement on nomination basis, guidelines have been issued/re-iterated 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 extension/award of contracts on nomination basis can be avoided.

In this regard, Vigilance Department has observed that contracts for long duration were awarded on nomination basis without incorporating the provision of early exist clause.

In view of above, all concerned are advised that the procurement cases be processed in time to meet the operational requirement, so that extension/award of contracts on nomination basis is avoided. If award of contract on nomination basis is unavoidable, such contract should be of shortest possible duration. Further, contract awarded on nomination basis should also have provision of early exist clause, to terminate the contract, in case rates received in regular tender are lower than the contract awarded on nomination basis.

Above guidelines should be meticulously followed by all concerned.


(Sandeep Gupta)
ED-Chief MM Services
4/1/23

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