



PMC Cell – MM

## Oil and Natural Gas Corporation Ltd

Corporate Materials Management

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**Circular No. 22/2018-cum-Integrated MM Manual Amendment No. 34/2018 Cum BL  
Amendment No. BL/01/106**

No: MAT/PMC/13(7)/13(73)/2018

Dated: 22.05.2018

**Sub: Modifications to provisions of air freighting in respect of perforation materials**

Reference is invited to the provisions for Air Freight / Consignment under para 20.5 of Integrated MM Manual and 30.3 of Standard Booklet MM01.

EPC, in its meeting (11/2018) held on 10.05.2018 examined aforesaid provisions and directed to modify the provisions in case of procurement of Perforation material, which is highly sensitive material and hence requires compliance to country specific legal/statutory requirements on its handling. For such material the order shall be directly placed on CFR basis.

In accordance, with the decisions taken in the aforesaid meeting of EPC, relevant provisions of Integrated MM Manual and Standard booklet MM01 stand modified as per Appendix-I & Appendix-2 respectively.

Above guidelines should be meticulously followed by all concerned.

*Ashwini Nagia*  
22/5/18

(Ashwini Nagia)  
ED-Chief MM Services

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Appendix-1

Statement showing existing vis a vis modified provisions of Integrated MM Manual

Sl No.	Clause No.	Existing Provision	Proposed Modified Provision	Remarks
1.	20.4	<b>Shipping order placement</b> ....	No change	
2.	20.5	<b>Air freight</b>	No change	
3.	20.5.1	The item of import is delicate in nature and ocean transportation may cause damage to item in transport.	No change	
4.	20.5.2	There is extreme urgency in the imports of items in question and the exigencies of the situation warrant air freighting.	No change	
5.	20.5.3	Air freighting charges are cheaper than ocean freighting charges.	No change	
6.	20.5.4	The volumes / size of import are so small or the nature of the item is so sensitive that air freighting would be more expedient or appropriate than ocean freighting.	No change	
7.	20.5.5	Sanction for Air freighting indicating the estimated amount of freight payable will be taken by the user department from the concerned key executive in consultation with attached Finance at the time of PR creation, except in case of 20.5.3 where the MM can take the decision at the time of tendering.	No change	

8.	20.5.6	In case of Air Freighting..... ultimate consignee.	No change	
9.	20.5.7	No Provision exists	In case of ICB/LICB tenders for procurement of Perforation material, the order shall be placed directly on CFR basis. <u>For the cases, where such material form only a part of consignment, a separate order shall be placed for them.</u> In case the order is to be placed on CIF basis due to any reason, insurance cover should be on warehouse to warehouse basis and should be valid up to 90 days from the date of discharge of the cargo at airport. For orders not on CIF basis, marine insurance of imported cargo and insurance during the transit upto warehouse of ultimate consignee shall be arranged by concerned T&S office of ONGC.	New provision incorporated
10.	'Note common for 20.4 and 20.5'  Sub para (iii)	It should be ensure by incorporating PO conditions that the consignment(s) requiring air-freighting are invariably moved through the Air Consolidation Agent.	<u>Except for provisions at 20.5.7,</u> it should be <u>ensured</u> by incorporating PO conditions that the consignment(s) requiring air-freighting are invariably moved through the Air Consolidation Agent.	Underlined portion modified

Appendix-2

**Statement showing existing vis a vis modified provisions of Standard Booklet MM01**

Sl No.	Clause No.	Existing Provision	Proposed Modified Provision	Remarks
1.	30.3	<b>Air consignment:</b>	No change	
2.	30.3.1.	In case of air consignments the carriage of the consigned cargo shall be effected only through Air India/Indian Airlines. Where Air India/Indian Airlines do not operate its flights or there are strikes of flights or any other reasons beyond Air India/Indian Airlines' control, the suppliers/ONGC Air Cargo Consolidation Agency will obtain certificate from Air India/Indian Airlines showing their inability to accept the consignment or will obtain permission from ONGC. In all such cases, air freighting will be arranged through any first available foreign lines in the interest of ONGC to avoid delay. The SUPPLIER will hand over one set of documents (non-negotiable) i.e. invoice, packing lists etc. to ONGC Air Cargo Consolidation Agency/Air lines for delivery to the Port consignee. Also the SUPPLIER should intimate through cable/telegram/telex or Fax or e-mail all details of air freighting, the same day to port consignee alongwith the advance set of above documents.	No Change	
3.	30.3.2	Shipment will be made through ONGC's Forwarding Agent M/s..... who will issue	<u>Except for provisions at 30.3.3,</u> Shipment will be made through ONGC's Forwarding Agent	Underlined provision modified

		House Air Way Bill which is a negotiable document.	M/s..... who will issue House Air Way Bill which is a negotiable document.	
4.	30.3.3	No Provision exists	In case of procurement of Perforation material, ONGC reserves the right to directly place the order for such material on CFR/ CIF basis at the air freight/insurance charges quoted by the bidder. <u>For the cases, where such material form only a part of consignment, a separate order shall be placed for them.</u>	New Provision incorporated.