

1.0 Background

The Project for laying of balance 6” ND x 21.9 km Oil Pipeline from Madanam EPT to Narimanam GGS with Launcher, crude despatch pumps at Madanam-CPF, LDS, CPS and receiver at Narimanam GGS is awarded to M/s Jaitech Engg, Thiruvavur on 07.08.2023 at a contract value of INR12,73,49,028.00. The project was successfully commissioned on 04.02.2025.

Following the commissioning of the pipeline, Surface team vide email dt 09.02.2025, proposed a requirement to de-oil, flush and dry the entire line for preservation of pipeline. It was decided to execute this additional job under a new contract. Accordingly BQs were invited to estimate the cost of the required work, which was assessed at INR 61,68,096.00 (including GST). The expenditure sanction (ES) and administrative approval (AA) were granted by the sanctioning authority for INR INR 61,68,096.00 on 11.03.2025.

Subsequently, Scope of work, Price format, Technical BEC and Technical part of Special conditions of contract were drafted and approved by the sanctioning authority as per IMMM 34.1 on 02.04.2025.

2.0 Objective of the case

- i. De-oiling, flushing, drying and charging with N2 for preservation of 6” crude pipeline commissioned from MDM EPT to NRM GGS.
- ii. Achieve the effective removal of oil, flushing with water, drying and preservation of the 6” 59 Km crude oil pipeline from MDM CPF to NRM GGS.
- iii. Ensure all operations are carried out with strict adherence to safety protocols and compliance with industry standards.

Indentor has submitted the following documents

- i. Administrative Approval and Expenditure sanction from competent authority.
- ii. Technical BEC (Annex-1), Scope of Work (Annex-2), Special terms & conditions of contract (Technical) (Annex-3) & Price format (Annex-4) duly approved by sanctioning authority

3.0 BEC Formulation Committee

BEC Formulation committee(BFC) consists of following officers met on 08.04.2025 to deliberate the formulation and finalization of commercial tender conditions :

- 1) Sh. A Selvam, GM (I)
- 2) Sh. A Gunasekaran , GM(P)
- 3) Sh. Sivakumar , CM(F&A)

4.0 Observations & Deliberations:

4.1 As per IMM manual para 34.1 , the following requires approval of CPA:

- (i) Invitation of tender including the type of tender to be invited
- (ii) BEC excluding Technical BEC to be enclosed with the tender
- (iii) Other Special Conditions of Contract excluding those approved by Sanctioning Authority
- (iv) Price Format

Further, para 10.1.2.1 of IMM Manual para stipulates that BFC will be involved in finalization of Commercial Tender Conditions (i.e. Commercial BEC, Special conditions of Contracts (commercial), Price Bid format and payment terms etc.)

- 4.2 BFC observed that the case value being more than Rs 10 lakhs, an Open Tender under Two Bid system is required to be invited through GePNIC portal.
- 4.3 As per MM manual para 12.17.1, pre-bid conference shall not be held in each & every case and approval of L-1 is required to hold pre-bid conference in case of any need/ justification. Indentor has conveyed that the scope of work of proposed job is well formulated and there is limited chance for any ambiguity, accordingly it was not considered for holding pre-bid conference and BFC opined that Pre-bid conference may not be held in this case.
- 4.4 **Commercial BEC:**
Indentor has conveyed the standard commercial BEC clauses as applicable for GePNIC tenders. BFC opined to adopt the same.
- 4.5 **Financial Criteria:**
The PR value of the case is Rs. 61,68,096.00. Since the case value is less than Rs.10 crore/annum, Financial Criteria will not be applicable.
- 4.6 **Price Evaluation Criteria:**
Bids shall be evaluated as per price evaluation criteria conveyed by the indentor. BFC opined to adopt the same.
- 4.7 **Price Bid Format /Schedule of Rates:**
BFC perused the price bid format proposed by indentor and BFC opined to adopt the same. Accordingly, proposed price bid format is placed at Annex-4.
- 4.8 **Special Conditions of Contract:**
Indentor has conveyed 'Special conditions of contract' (Annex-3) duly approved by sanctioning authority and BFC perused the same and opined to adopt the same

5.0 Recommendations:

In view of all the foregoing, BFC recommends as under:

- 5.1 To invite 'Indigenous Open Tender under two Bid System via e-procurement through GePNIC'.
- 5.2 To follow the commercial BEC as placed at Annex- 5 & Bid Matrix as placed at Annexure- 5
- 5.3 To follow the Price Bid Format as placed at Annex-4

CPA: L-IV as per cl.24.1.C of BDP

Submitted for approval please