



Ministry of Industry & Commerce
LANKA MINERAL SANDS LIMITED



BIDDING DOCUMENT

Sale of Heavy Mineral Sands

TENDER REF.NO: LMS/MKT/TDR/18/03

INTERNATIONAL COMPETITIVE BIDDING

SELLER :

LANKA MINERAL SANDS LIMITED
No.341/21, SARANA MAWATHA,
RAJAGIRIYA,
SRI LANKA

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SECTION – 1: INVITATION FOR BIDS (IFB)



LANKA MINERAL SANDS LIMITED

MINISTRY OF INDUSTRY & COMMERCE



SALE OF HEAVY MINERAL SANDS

INTERNATIONAL COMPETITIVE BIDDING

TENDER REF. NO: LMS/MKT/TDR/18/03

The Chairman of Ministry Tender Committee, on behalf of Lanka Mineral Sands Limited, invites sealed bids from Foreign Parties who are interested in buying following Mineral Products available at the Factory in Pulmoddai of Sri Lanka. The Local Parties, who wish to purchase and export or add further value to the products could also submit their bids.

The details of PRODUCTS and other RELEVANT details for bid are given below.

	PRODUCTS	QUANTITY	BID SECURITY	PACKAGE	DELIVERY TERMS	DATE & TIME OF CLOSING AND OPENING TENDER
1	Rutile HS - 2614 00 20	800MT	LKR9,742,720.00 or USD 64,000 .00	40kg/ Bag	Exw- IRZ Plant, Pulmoddai	06 / 03 / 2018 At 1400hrs
2	Hi-Ti Ilmenite HS-2614 00 10	2000MT	LKR4,566,900.00 or USD 30,000.00	In Bulk		
3	Non- Magnetic Heavy Mineral Concentrate (NMFMC) HS- 2614 00 90	5000MT	LKR12,558,975.00 or USD 82,500.00	In Bulk		
4	Low Grade Zircon Crude (LGZC) HS- 2615 00	10000MT	LKR1,522,300.00 or USD 10,000.00	In Bulk		

The Complete Bidding Document is published in the official websites www.industry.gov.lk and www.lankamineralsands.com. The interested parties could visit the websites and download the Bidding Document free of charge.

Prescribed Bidding Forms the part of Bidding Document issued by the Seller should only be used for submission of the bid and same may be purchased on week days from **0900hrs to 1500hrs** from **07 /02 /2018** to **05/ 03 /2018** upon payment of non-refundable Bid Document Fee of **LKR10,000.00** or **USD 65.00** from Marketing Manager, Lanka Mineral Sands Ltd. 341/21, Sarana Mawatha, Rajagiriya, Sri Lanka.

The Bid, prepared in accordance with the Instructions to Bidder, enclosed in a suitable envelope marked **“Sale of Heavy Mineral Sands, Tender No. LMS/MKT/TDR/18/03”** on the top left hand of the envelope should either be sent under registered post to **Chairman, Ministry Tender Committee (Sales), Ministry of Industry & Commerce, P.O. Box 570, No. 73/1, Galle Rd, Colombo -03** to receive before **1400hrs** on **06 /03 /2018** or be deposited in the Tender Box available at the same address.

The Bids will be opened immediately after closing of the Tender at the Auditorium of Ministry of Industry & Commerce, No. 570, No.73/1, Galle Road, Colombo- 03. addressed in the below. The Bidder or only one Representative of the Bidder will be allowed to be present at the time of opening of Tender. Late bids will be rejected.

For any additional information: please contact Marketing Manager of Lanka Mineral Sands Ltd and Marketing Division on Telephone +94112883951, +94112883965, +94112883954, Fax +94 11 2882668 and Email ilmenite@slt.lk / malmsl@sltnet.lk / wijaya.mahinda@gmail.com

Chairman,
Ministry Tender Committee (Sales),
Ministry of Industry & Commerce,
PO Box 570, No.73/1, Galle Road,
Colombo -03,
Sri Lanka.

SECTION – 2 : GENERAL INFORMATION (GINFO)

2.1. INTRODUCTION

2.1.1 Lanka Mineral Sands Limited (LMSL) formerly Ceylon Mineral Sands Corporation was established in 1957 for the exploration of beach sands in Sri Lanka and subsequently converted to a fully Government-owned Company in 1992 under the commercialization policy of the Government. Lanka Mineral Sands Limited has now incorporated under the Company Act No. 7 of 2007 of Democratic Socialist Republic of Sri Lanka. At present, Lanka Mineral Sands Ltd is gazetted under Ministry of Industry and Commerce (hereinafter referred to “the Seller”)

2.1.2. Ilmenite Rutile Zircon Plant (IRZ Plant) is the Factory of Lanka Mineral Sands Ltd and located at Pulmoddai in Eastern Province of Sri Lanka. It is approximately 56 Km far from the Port of Trincomalee and 315 Km from the Port of Colombo. Lanka Mineral Sands Ltd is the only Entity holds Mining License in Sri Lanka for mining & processing of heavy mineral beach sands. Ilmenite, Rutile, Zircon and High- Titanium Ilmenite are the main Products while Garnet, Monazite, Magnetite are by-products. Zircon – Crude, Spiral Fine Concentrate, Non- Magnetic Heavy Mineral Concentrate, Spiral Plant Tailings are other products produced for sale as semi processed form.

2.2. SCOPE OF SALE

2.2.1 In connection with the Tender Reference Number as indicated in the Invitation for Bids, the Lanka Mineral Sands Limited (hereinafter called the Seller) issues these Bidding Documents for the Sale of Heavy Mineral Sands as specified in Section -3 Products for Sale, Related Services and Specifications of the Products (PRS & SPECS)

2.2.2. The term ‘Interested Party’ is defined the party who have potential for Heavy Mineral Products, “Bidder” is the party who submit the bid, “Successful Bidder / Purchaser” is the party who won the Tender or a part of tender being the substantially responsive bidder to the Bidding Document, “The Product” is Heavy Mineral Sands offered for sale by Seller and the Goods / Stock means the certain product prepared or reserved for sale.

2.2.3 Throughout these bidding process the term “in writing” means communicated in written form by mail (including electronic mail) or hand delivered with proof of receipt.

2.2.4 If the context so requires, “singular” means “plural” and vice versa; and “day” means calendar day.

2.2.5. The Tender is conducted through International Competitive Bidding Procedure.

2.2.6. Bidding Process is conducted through Ministry Tender Committee and decision of the Ministry Tender Committee will be the final in the tender.

2.2.7. This tender refers the Tender Notice published in the National Newspapers of Daily News, Dinamina, Daily News & on 06/ 02 /2018 in languages Sinhala, English and Navamani Tamil Newspaper on 07/02/2018 in addition to published in the websites of dg Market Traders Worldwide and www.feroalloy.net Mineral Industry Service provider.

2.2.8 The Seller & Successful Bidder should enter into the Contract Agreement at the award of tender.

SECTION- 3 : PRODUCTS FOR SALE, RELATED SERVICES AND SPECIFICATIONS OF THE PRODUCTS (PRS &SPCS)

3.1. PRODUCTS FOR SALE

3.1.1 The products Rutile, Zircon and Hi Ti ilmenite are guaranteed to the specifications provided by the Seller. The Products NMHMC and LGZC are semi- processed and they have no warranty. The Semi-Processed products are delivered “ AS IS” in the existing condition.

3.1.2 All products are delivered on Ex- Work, IRZ Plant, Pulmoddai basis and packages are as specified in the clause 3.1.3 below.

3.1.3. PRODUCTS AND RELEVANT DETAILS OF PRODUCTS FOR BIDS

	PRODUCT	QUANTITY	PACKAGE & DELIVERY TERMS	BID SECURITY	DATE & TIME OF CLOSING & OPENING TENDER
1	Rutile HS - 2614 00 20	800MT	In 40Kg/ Bag, On Exw- IRZ Plant, Pulmoddai	LKR9,742,720.00 or USD 64,000 .00	06/ 03 / 2018 At 1400hrs
2	Hi Ti Ilmenite HS-2614 00 10	2000MT	In Bulk IRZ Plant, Pulmoddai	LKR4,566,900.00 or USD 30,000.00	
4	Non- Magnetic Heavy Mineral Concentrate (NMHMC) HS- 2614 00 90	5000MT	In Bulk “as is” in the Condition On Exw – IRZ Plant, Pulmoddai	LKR12,558,975.00 or USD 82,500.000	
5	Low Grade Zircon Crude (LGZC) HS- 2615 00	10000MT	In Bulk “as is” in the Condition On Exw – IRZ Plant, Pulmoddai	LKR1,522,300.00 or USD 10,000.00	

3.2 RELATED SERVICES

3.2.1 The sale is defined to export and the services is accordingly, the exercises and documentary work incidental thereto as vested the responsibilities on exports & imports of product by the Seller and the Buyer.

3.2.2 The products are loaded by the Seller to the transport means of the Buyer to the IRZ Plant, Pulmoddai on Exw basis. The weighing certificate for the products delivered, commercial documents, regulatory permit/certificate other than quarantine are issued or provided by the Seller.

3.2.3 The inland transport, exports & imports customs clearance, independence inspection & additional analysis of product (if required), insurance for transport, regulatory permits necessary on imports of the mineral products at the buyer's destination and the removal of goods within the time stipulated in the bidding document is on responsibility of Buyer.

3.3. PRODUCT SPECIFICATIONS

3.3.1 products under warranty are certified to the specifications given the below. However, specifications of Semi processed products (Mineralogical and Size Distribution) are provided only for just reference of the bidders. The same has no warranty

- a). Chemical Analysis Report. (content of TiO₂)
- b). Mineralogical Specification and
- c). Grain Size Distributions

TYPICAL ANALYTICAL RESULTS

Sample : Rutile

Sample No : 4049/ RUT
10/09/2017

Contents	Weight%
TiO ₂	95.63
Maximum Moisture	00.50

MINERALOGICAL ANALYSIS

Constituent	Wt%	
Ilmenite	00.68	
Weekly Ilmenite	03.92	
Monazite	Trace	
Garnet	Trace	
Others	00.22	
Total Magnetics		04.82
Rutile	94.15	
Zircon	01.03	
Total Non-Magnetics		95.18
Total Heavies		100.00

SIZE DISTRIBUTION

B.S.S (MESH NO.)	APERTURE SIZE	WEIGHT PER CENTAGE	CUMULATIVE WEIGHT PER CENTAGE
+ 32	+500 Micron	Trace	Trace
+ 60	+250 Micron	00.90	00.90
+100	+150 Micron	17.73	18.63
+150	+106 Micron	46.64	65.27
+170	+ 90 Micron	20.10	85.37
+200	+ 75 Micron	11.17	96.54
+240	+ 63 Micron	02.93	99.47
-240	- 63 Micron	00.52	99.99
Working loss		00.01	
Total			<u>100.00</u>



Chemist
Lanka Mineral Sands Ltd

Sample : High Titanium Ilmenite

Sample No : 4050/HTI
10/09/2017

Contents	Weight%
TiO ₂	58.97
Maximum Moisture	00.50

MINERALOGICAL ANALYSIS

Constituent	Wt%	
Ilmenite	49.32	
Altered Ilmenite	41.70	
Monazite	00.18	
Garnet	00.56	
Others	03.61	
Total Magnetics		95.37
Rutile	04.19	
Zircon	00.38	
Total Non-Magnetics		04.57
Total Heavies		99.94
Quartz	00.06	
Total Light Mineral		00.06
Total		100.00

SIZE DISTRIBUTION

B.S.S (MESH NO.)	APERTURE SIZE	WEIGHT PER CENTAGE	CUMULATIVE WEIGHT PER CENTAGE
+ 32	+500 Micron	Trace	Trace
+ 60	+250 Micron	04.71	04.71
+100	+150 Micron	43.15	47.86
+150	+106 Micron	39.51	87.37
+170	+ 90 Micron	07.84	95.21
+200	+ 75 Micron	03.56	98.77
+240	+ 63 Micron	00.98	99.75
-240	- 63 Micron	00.20	99.95
Working loss		00.05	
Total			<u>100.00</u>


Chemist
Lanka Mineral Sands Ltd

Sample : Non- Magnetic Heavy Mineral Concentrate (NMHMC)


Sample No : 4060/ BNM
12/11/2017

MINERALOGICAL ANALYSIS

Constituent	Wt%	
Magnetite	00.10	
Ilmenite	20.99	
Altered Ilmenite	06.57	
Monazite	00.92	
Garnet	03.57	
Others	09.82	
Total Magnetics		41.97
Rutile	09.46	
Zircon	21.54	
Total Non-Magnetics		31.00
Total Heavies		72.97
Sillimanite	06.20	
Quartz	20.83	
Total Light Mineral		27.03
Total		100.00

SIZE DISTRIBUTION

B.S.S (MESH NO.)	APERTURE SIZE	WEIGHT PER CENTAGE	CUMULATIVE WEIGHT PER CENTAGE
+ 32	+500 Micron	01.39	01.39
+ 60	+250 Micron	08.62	10.01
+100	+150 Micron	32.24	42.25
+150	+106 Micron	38.96	81.21
+170	+ 90 Micron	09.64	90.85
+200	+ 75 Micron	05.36	96.21
+240	+ 63 Micron	02.77	98.98
-240	- 63 Micron	00.95	99.93
Working loss		00.07	
Total			<u>100.00</u>


Chemist
Lanka Mineral Sands Ltd

Sample : Low Grade Zircon Crude (LGZC)

Sample No : 4061/ ST
13/11/2017

MINERALOGICAL ANALYSIS

Constituent	Wt%	
Ilmenite	05.44	
Altered Ilmenite	03.27	
Monazite	00.84	
Garnet	01.08	
Others	07.19	
Total Magnetics		17.82
Rutile	02.66	
Zircon	06.62	
Total Non-Magnetic Heavies		09.28
Total Heavies		27.10
Sillimanite	09.07	
Quartz	63.83	
Total Light Mineral	72.90	
Total		100.00

SIZE DISTRIBUTION

B.S.S (MESH NO.)	APERTURE SIZE	WEIGHT PER CENTAGE	CUMULATIVE WEIGHT PER CENTAGE
+ 32	+500 Micron	02.23	02.23
+ 60	+250 Micron	15.45	17.68
+100	+150 Micron	35.53	53.21
+150	+106 Micron	32.42	85.63
+170	+ 90 Micron	08.52	94.15
+200	+ 75 Micron	03.34	97.49
+240	+ 63 Micron	01.65	99.14
-240	- 63 Micron	00.86	99.96
Working loss		00.04	
Total			<u>100.00</u>



Chemist
Lanka Mineral Sands Ltd

SECTION - 4: INSTRUCTIONS TO BIDDERS AND BIDDING DATA (ITB &BD)

4.1 DEFINITIONS

4.1.1. The term 'Interested Party' is defined the party who have potential for Heavy Mineral Products, "Bidder" is the party who submit the bid, "Successful Bidder/ Tenderer / Purchaser" is the party who won the Tender or a part of Tender being the substantially responsive Bidder to the Bidding Document, "the Product" is Heavy Mineral Sands offered for sale by the Seller while the Goods / Stock means the certain product prepared or reserved for sale.

4.1.2 Throughout these bidding process the term "in writing" means communicated in written form by mail (including electronic mail) or hand delivered with proof of receipt.

4.1.3 if the context so requires, "singular" means "plural" and vice versa; and "day" means calendar day.

4.2. ETHICS, FRAUDS & CORRUPTIONS

4.2.1 The attention of the Bidders is drawn to the following guidelines to ensure smooth governing of the sales process:

- a). Parties associated with sales actions, namely, Bidders/ Buyers and Officials shall ensure that they maintain strict confidentiality throughout the process;
- b). Officials shall refrain from receiving any personal gain from any Sale Action. No gifts or inducement shall be accepted. Bidders/ Buyers are liable to be disqualified from the bidding process if found offering any gift or inducement which may have an effect of influencing a decision or impairing the objectivity of an official.

4.2.2 The Seller requires the bidders/ Buyers to observe the highest standard of ethics during the Sale and execution of such contracts. In pursuit of this policy:

- a) "corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the action of a public official in the Sales process or in contract execution;
- b) "fraudulent practice" means a misrepresentation or omission of facts in order to influence a sales process or the execution of a contract;
- c) "collusive practice" means a scheme or arrangement between two or more bidders, with or without the knowledge of the Seller to establish bid prices at artificial, noncompetitive levels; and
- d) "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence Their participation in the sales process or affect the execution of a contract.

4.2.3. If the Seller found any unethical practices as stipulated under Clause 4.1 of Section -4 ITB&BD above, that a Bidder directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for the Contract in question, the Seller will reject a bid.

4.3. BIDDING DOCUMENT

4.3.1. Bidding Document also referred to as Tender Document comprising with Tender Notice (Invitation for Bids), General Information, Product Related Services & Product Specifications, Instructions to Bidders, Bid Evaluation Criteria, Terms and Conditions of Contract, Bidding Forms & Contract Agreement.

4.3.2. The Complete Tender Document is published in the Websites www.industry.gov.lk and www.lankamineralsands.com for easy reference of Potential Bidders while publishing the Tender Notice in the Newspapers in three languages Sinhala, Tamil & English. All these documents could be viewed and down loaded free of charge from the websites. **The bidder should purchase Prescribed Bidding Forms accompanied Bidding Document to submit the bid in pursuant to Invitation for Bids.**

4.3.3. The communication language is English and therefore, every documents or correspondence should be in English.

4.4. ELIGIBLE BIDDERS

4.4.1. All bidders shall possess legal rights to buy Heavy Mineral Sands under this contract and for exports & imports of the product. A Bidder shall not have a conflict of interest, under a declaration of ineligibility at the date of submission of the bid & the date of contract award and debarred in any country. All bidders found to have conflict of interest shall be disqualified.

4.4.2. To be qualified for submission and accept the bid, the bidder should originally process valid Business Registration established Abroad / Sri Lanka in the form of incorporated or Individual Enterprise.

4.4.3. The respective addresses and the contact details given by the bidders set out in the bid will be considered for all purposes. The disputes arising any in the communications at which addresses the party with the detail furnished and communications at which addresses all processes and notices of or with this Agreement, its breach or termination may validly be served upon or delivered to the Party.

4.5. PREPARATION FOR BID

4.5.1. The product is delivered at the IRZ Plant on, EX-WORKS (2000), PULMODDAI basis. The costs & risk thereby is vested with the Bidder and Seller in terms of Ex- Works (2000) unless otherwise stated in the **Section -3 PRS&SPCS**.

4.5.2. The bidder could bid for all the products offered for sale or any of the product upon bidder's option but shall be for whole quantity of each product. The bidder has no permission to bid or purchase of a part of any product.

4.5.3. The product under warranty is certified to the specifications provided by the Seller and other that has no warranty is delivered "AS IS" in their existing condition. However, the party, who chooses to analyze the products, could visit at IRZ Plant and take samples for their own analysis. As well, the samples could be obtained from the Marketing Division of Lanka Mineral Sands Ltd, No. 341/21, Sarana Mawatha, Rajagiriya, Sri Lanka on normal working days upon submission of written request to Marketing Manager.

4.5.4. The bid should be made by the bidder in United State Dollars (USD) and it should remain valid for **45 days** from the date of opening of tender. The bids submitted in any other currency will be accepted.

4.5.5. The Bidding Document could be downloaded from the official website www.industry.gov.lk or www.lankamineralsands.com free of charge. However, the Prescribed Bidding Forms authenticated and issued by the Seller should only be used for submission of bid. This form must be completed without any alterations to its format, and no substitutes will be accepted. All blank spaces shall be filled in with the information requested.

The Bidding Document accompanied the Prescribed Bidding Forms shall be purchased upon payment of a non-refundable Bidding Document fees of **LKR10,000.00** or **USD 65.00** from Marketing Manager, Lanka Mineral Sands Ltd, 341/21, Sarana Mawatha, Rajagiriya, Sri Lanka and on submission of written request to Marketing Manager of Lanka Mineral Sands Ltd, on normal working days from **0900hrs to 1500hrs** from the date of **07/ 02 / 2018**. The issuance of Bidding Documents will be closed at **1500hrs** on **05 / 03 /2018**. The bidders who are interested in participating in tender should ensure to work within the stipulated time frame and ensure there is no delay in submission of the bid.

4.5.6. The bidder, who wish to obtain the Prescribed Bidding Forms on electronic mail, should send an official request on ilmenite@slt.lk / malmsl@sltnet.lk and wijaya.mahinda@gmail.com together with the copy of remittance advice issued upon payment of Bidding Document fee **LKR10,000.00** or **USD65.00**. On receipt of such request and the payment, the Seller will forward the Bidding Document stamped and authenticated to the Applicant by return email. Those, who wish to obtain bidding document on e-mails should ensure to work within the stipulated time frame in submission of the bid.

4.5.7. The bid should be submitted by the bidder in the **Prescribed Bid Form** accompanied the **Bid Submission Form** duly filled. In addition to these, the Bid Security, the copy of valid Business Registration, the copy of last year Audited Financial Statement, Copy of National Identity Cards/ Passports of the Chairman/ Managing Director & Authorized Signatory and Authorization for the Signatory (if required) should be enclosed in the bid as specified in the Prescribed Bid Form. The submission of documentary evidence to prove the bidder's competence to perform the contract successful such as competency in trading of mineral sands, Warehouse facility available to store the goods and Plant facility for processing of mineral sands & manufacture of value added products will be added advantage at the evaluation of bids in the specific circumstance.

4.5.8. The bid bond could be made in cash or in the form of Bank Guarantee corresponding to the amount of Security specified in the **clause 3.1.3 of Section- 3, PRS&SPCS**.

4.5.8. 1). The Bid Security in cash shall either be by **SLR or USD**, giving reference to Tender Number, be deposited in favour of **Chairman, Lanka Mineral Sands Ltd** to credit of **Rupee A/c. No 0931** or **US Dollar A/c No.73449850 (Swift Code- BCEYLKXLX)** maintained at the **Bank of Ceylon, Corporate Branch of Colombo 01, Sri Lanka** before **1300hrs** on **06 / 03 /2018**. **The copy of the Remittance Advice/ Cash Deposit Advice certified by the Authorized Officer of the bank / Attorney- at -Law should also be attached to the Prescribed Bid Form as mentioned in the form.**

4.5.8. 2). The Bid Security in the form of Bank Guarantee should be furnished with the specimen form of Bid Guarantee provided by the Seller in the **Section 07 Bidding Forms** and it should be unconditional, valid for 45 days from the closing date of the tender and payable on first demand of the Seller. The bank guarantee should be in favour of Chairman, Lanka Mineral Sands Ltd and from any Commercial Bank registered under Central Bank of Sri Lanka or other guarantee “confirmed” by a Commercial Bank registered under Central Bank of Sri Lanka.

(The original bank guarantee should be attached to the PBF)

Some of Banks operating in Sri Lanka are listed below for easy reference

- | | |
|---------------------------------|------------------------------------|
| • Bank of Ceylon | * National Development Bank PCL |
| • Peoples Bank PLC | * Nation trust Bank PLC |
| • Amana Bank PLC | * Pan Asia Bank In Cooperation PLC |
| * Axis Bank Ltd | * Public Bank Berhad |
| * Cargills Bank Ltd. | * Sampath Bank PLC |
| * City Bank N.A. | * Seylan Bank PLC |
| * Commercial Bank of Ceylon PLC | * Standard Chartered Bank |
| * Deutsche Bank AG | * Union Bank of Colombo Ltd |
| * HNB PLC | * ICICI Bank |
| * Indian Bank | * MCB Bank |
| * Indian Overseas Bank | |

4.6. AMENDMENT TO BIDDING DOCUMENT.

4.6.1. Amendment to the Bidding Document could be made by the Seller and to give prospective Bidders reasonable time in which to take an addendum into account in preparing their bids, the Seller may, at its discretion, extend the deadline for the submission of bids. Any addendum issued shall be part of the Bidding Documents and shall be communicated in writing to all who have obtained the Bidding Document and published on the websites for others reference. In which cause all rights and obligations of the Seller and Bidders previously subject to the deadline shall thereafter, be subject to the deadline as extended. A Bidder granting the request shall not be required or permitted to modify the bidding document.

4.6.2. In exceptional circumstances, prior to the expiration of the bid validity date, the Seller may request Bidders to extend the period of validity of their bids. The request and the responses shall be made in writing. If a Bid Security is requested to extend by the Seller, it shall also be extended for a corresponding period. A Bidder may refuse the request without forfeiting its Bid Security.

4.7 SUBMISSION, WITHDRAWAL, MODIFICATION AND OPENING OF BIDS

4.7.1. The Bidding Form accompanied the Bidding Document purchased from the Seller should be used for submission of bid.

4.7.2. The Bidder shall submit the sealed bid within the period valid for submission of bid with the Prescribed Bid Form accompanied the Bid Submission Form duly filled and the particular Bid Bond and other required documents detailed in the clause 4.5.7 of Section – 4 ITB&BD by registered post or hand delivery as instructed in the clause 4.7.3 of Section -4 ITB&BD below.

4.7.3. The bid together with the other documents enclosed in a suitable envelope marked “Sale of Heavy Mineral Sands Tender No. LMS/MKT/TDR/18/03” on the top left- hand of the envelop should either be sent under registered post to Chairman, Ministry Tender Committee, Ministry of Industry & Commerce, P.O. Box 570, No. 73/1, Galle Rd, Colombo- 03, Sri Lanka to receive before **1400hrs on 06/ 03/ 2018.**

4.7.4. All information requested by the Seller with the Biding Form should be furnished by the Bidder. Failure to furnish all information or documentation required by the bidding documents may result in the rejection of bid.

4.7.5. A Bidder may withdraw, or modify its Bid after it has been submitted by sending a written notice to the Ministry Tender Committee duly signed by the Signatory or an Authorized Representative with a copy of the authorization. The corresponding substitution or modification of the bid must accompany the respective written notice. All notices must be submitted in the formal way and in addition, the respective envelope shall be clearly marked “WITHDRAWAL,” SUBSTITUTION or “MODIFICATION;” and received by the Seller prior to the deadline prescribed for submission of bids.

4.7.6. Bids requested to be withdrawn shall be returned to the Bidders only upon notification of contract award to the Successful Bidder. No bid may be withdrawn, substituted, or modified in the interval between the deadline for submission of bids and the expiration of the period of validity specified by the Seller on the Bid Submission Form or any extension thereof.

4.7.7. The Bidder or only one representative who chooses to participate will be allowed to be present at the time of opening of the Tender.

4.7.8. The tender will be opened in public at the Ministry of Industry & Commerce, P.O. Box 570, No. 73/1, Galle Rd, Colombo- 03, Sri Lanka, immediately after closing the Tender at **1400hrs on 06/ 03/ 2018.**

4.7.9. Late bids will not be opened and rejected by being returned to the party by mail.

4.8. CONTRACT AWARD, SETTLEMENT OF PAYMENT AND DISCHARGE OF BID SECURITY

4.8.1. The Seller shall award the Contract to the Bidder whose offer has been determined to be the highest evaluated bid and is substantially responsive to the Bidding Documents, provided further that the Bidder is determined to be qualified and satisfactory to perform the Contract. **The Seller will take every effort to award the tender within 15 days of opening of tender unless otherwise there will be any updates.**

4.8.2. An additional Royalty for the value difference of Exw- IRZ Plant and FOB Colombo / Trincomalee shall be paid by the Successful Tenderer. The additional levy will be 7% of said value difference plus Government' Tax (NBT) and invoiced to the Bidder. The applicable Royalty payable by the Successful Tenderer will, in this regard be USD1.78 /MT. Therefore, this additional royalty will be a part of the contract value. The royalty is Government Levy and may be changed subject to revision by the Government.

4.8.3. The Seller reserves the right to increase or decrease the quantity of products originally specified in **clause 3.1.1 of Section- 3 PRS &SPCS** at the award of tender with the consent of the Successful Bidder and provided this does not exceed twenty five percent (25%) of the quantity floated in the tender without any change in the unit price or other terms and conditions stipulated in the Bidding Documents. The buyer's confirmation will be the decisive factor in the revision of qty.

4.8.4. Prior to the expiration of bid validity, the Seller shall notify the Successful Bidder, in writing, that its bid has been accepted.

4.8.5. Until a formal Contract is prepared and executed, the notification of award shall constitute a binding Contract.

4.8.6. Upon receipt of the formal approval to award the Tender to the Successful Bidder, the Seller will promptly notify each unsuccessful Bidder about the bidder selected for award of the tender and for their representation if any.

4.8.7. The bid bond of the bidder, whose bid would not be the highest and substantially responsive will be released, after completion of evaluation / verification of the bid bonds by the Seller upon receipt of request for withdrawal from the unsuccessful bidders. However, the bid bond of Successful Bidder who submitted highest bid which is substantially responsive will only be released after signing the Contract & settlement of the Contract Value within the time stipulated in full and execution of the obligations of the Successful Bidder. The bid bond furnished by the Successful Bidder, after award of the tender will be performing as a security until the settlement of tendered value in full. The payment of the successful bidder made in purchase of good will thereafter, work on as performance bond until the entire stock is removed.

4.8.8. Within Seven (7) days of notification, the Seller shall complete the Agreement, and inform the Successful Bidder to sign it and within Ten (10) days of receipt of information, the Successful Bidder shall sign the Contract Agreement. If the Successful Bidder wishes to sign Contract Agreement through E-mailing and conveys message to the Seller for same, the Seller will make arrangement to be signed the Contract Agreement easy on email.

4.8.9. The Pro forma Invoice will only be issued by the Seller on request of Successful Bidder. It includes the total value of the product purchased, the applicable Royalty and details needs for effect of exports and imports.

4.8.10. The Payment Terms is on advance and the payment shall be settled within **fourteen (14) working** days from the date of award of the tender. On receipt of entire payment of the Contract, the Seller shall discharge the Bid Security of the Successful Bidder.

4.8.11. The failure of Successful Bidder to settle the full payment of the contract awarded and sign the Contract will constitute sufficient ground for the annulment of the award and forfeiture of the Bid Security

4.8.12 Where the successful bidder fails to execute their any obligations after award of tender within stipulated time frame and Seller thereby, decides to cancel the award, the bidder who has submitted the second highest bid of responsive to the tender document could purchase the product at the highest bid price originally received under the same terms and conditions. The seller will, in such a decision. inform the second highest bidder for option within 30 days of opening of tender if the second highest bidder has not withdrawn their bid bond.

4.8.13 The bidder should forward their response **within 3 working** days in writing along with their option whether agree to purchase the additional quantity or not.

4.8.14. The response after three working days in this regard will not be considered by the Seller.

4.8.15 The Bidder and Successful Bidder should bear the all charges levied by Foreign and Local Banks in transmission of any remittance through the banks.

4.8.16. The Seller acknowledges the Successful Bidder the receipt of payment no sooner the receipt of payment.

4.8.17. In the case of extension requested for settlement of payment by the Successful Bidder, the Seller may consider the request and grant extension where the reasons explained by the Successful Bidder is acceptable. At its case of discretion, the seller may impose 0.1% interest of the total tendered value per day and charge. But such extension is limited to a month in maximum. An additional invoice will be issued for this interest charges.

4.9. CLEARANCE OF GOODS PURCHASED

4.9.1. The products purchased should be removed within 45 days of issuance of the acceptance letter on Award of Tender

4.9.2. The Successful Bidder is permitted to remove the stock only upon settlement of Tendered Value in full. Every effort should be taken by the successful bidder to commence the clearance of stock within 07 days of payment.

4.9.3. Partial Shipment is permitted and allowed by the Seller.

4.9.4. The Successful Bidder shall instruct to the Seller of their shipment schedule prior to 07 working days of shipment to make ready export license, loading and other documents that are required for shift the stock and export.

4.9.5. The Successful Bidder could assign Transporters, Freight Forwarders and the Consignees abroad for the shipments. In the assigning of another Consignee for shipment, the Seller issues necessary documents for shipment but the buyer shall bear all responsibilities in respect of assigning and their performance.

4.9.6. The local buyer who won the tenders could shift the product to their Foreign Parties with the export license provided by the Seller. In such an indirect export, every detail of export should be provided to the Seller by the Local Buyer other than their sale prices. The exports should be as agreed with the Seller. The Local Buyer should forward the Original Bill of Lading, Party's Copy of CUSDEC and LC (if required) for reference of the Seller and recording no sooner the export clearance of consignment is completed. The Original Export License should be returned to the Seller at the completion of entire export. The seller reserves the right to take action against the successful bidders those who are not submit the above documents to the Seller as detailed.

4.9.7. The Successful Bidder should take every effort to clear the stock within 45 days as specified in the **clause 4.9.1 of Section 4 ITB&BD above**. Unless otherwise extension has been granted by the Seller, demurrage will be charged for the stock not removed within 45 days pursuant to **clause 6.23.2 of Section-6, Terms & Conditions of Contract**. The stock remains under demurrage will strictly be limited to 45 days as well. The Seller reserves the right to forfeit the stock remains after completion of 90 days from the award of tender.

4.9.8. The Seller shall issue the goods at request of the Successful Bidder and provide the buyer the documents for transport and export of goods in pursuant to Section -3 PRS&SPCS viz documents, Packing List, Weight Certificate, Copy of Export License, Inland Transport License, and regulatory permits required in International Preferential / Free Trade Agreements at request of the Successful Bidder.

SECTION - 5 : BID EVALUATION CRITERIA (BEC)

- 5.1 The Seller shall evaluate each bid which has been determined, up to this stage of the evaluation, to be substantially responsive. The Seller shall compare all substantially responsive bids to determine the highest-evaluated bid. The seller will consider the arithmetic mistakes of the bidder if any and accept the bid for evaluation.
- 5.2. There is no any domestic preference for evaluation of bids. Every bidder whether they are foreign or local both have equal opportunity.
- 5.3. The bid price offered by the bidder will be the most important factor in the evaluation of bids.
- 5.4. The past performance and experienced of the bidder in the settlement of payment, removal of the stock and submission of relevant documents by the local party after completion of shipments are considered as past response and satisfactory execution of the bidder's obligations.
- 5.5 The competency of the bidder in trading, processing and value addition base on heavy mineral sands are also considered as an additional qualification for award of the tender at specific circumstance.

SECTION- 6 : TERMS AND CONDITIONS OF CONTRACT (T & CC).

6.1 DEFINITION.

The following words and expressions shall have the meanings hereby assigned to them:

- a) "Contract" means the Contract Agreement entered into between the Buyer and the Seller together with the Contract Documents referred to therein, including all attachments, appendices, and all documents incorporated by reference therein.
- b) "Contract Documents" means the documents listed in the Contract Agreement, including the amendments thereto.
- c) "Contract Price" means the price payable to the Seller as specified in the Contract Agreement, subject to such additions and adjustments thereto or deductions therefrom, as may be made pursuant to the Contract.
- d) "Day" means calendar day.
- e) "Completion" means the fulfillment of the Delivery /supply of Products/Goods and imports and exports to the destination in terms of INCOTERM specified and completion of the Related Services by the Seller and the Buyer in accordance with the terms and conditions set forth in the Contract.
- f) "T&CC" means the Terms & Conditions of Contract.
- g) "Goods" means all of the commodities, raw material, machinery and equipment, and/or other materials that the Supplier is required to supply to the Purchaser under the Contract
- h) "Seller" means the entity who sells / delivers the Goods/ products and Purchaser/ Buyer" means the entity purchasing the Goods and Related Services, as specified in the **Section 3 PRS& SPCS)**
- l) "Related Services" means the services incidental to the imports and exports of the goods/ products such as insurance, transport of goods and other obligations of the Seller and Buyer under the Contract.
- j) "Subcontractor" means any natural person, private or government entity, or a combination of the above, to whom any part of the Goods to be supplied or execution of any part of the Related Services is subcontracted by the Buyer / Seller.
- k) "Successful Tenderer/ bidder" means the natural person, private or government entity, or a combination of the above, whose bid to perform the Contract has been accepted by the Seller and is named as such in the Contract Agreement.
- l) "The IRZ Plant Pulmoddai" where applicable, means the place named as a delivery point of products.

6.2. CONTRACT DOCUMENTS

6.2.1 Subject to the order of precedence set forth in the Contract Agreement, all documents forming the Contract (and all parts thereof) are intended to be correlative, complementary, and mutually explanatory. The Contract Agreement shall be read as a whole.

6.3. FRAUD AND CORRUPTION

6.3.1 The Government of Sri Lanka requires the Seller as well as Buyer to observe the highest standard of ethics during the Sale process and execution of such contracts. In pursuit of this policy:

- i) "corrupt practice" means offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the action of a public official in the Sales process or in contract execution;
- ii) "fraudulent practice" means a misrepresentation or omission of facts in order to influence a Sales process or the execution of a contract;
- iii) "collusive practice" means a scheme or arrangement between two or more bidders, with or without the knowledge of the Seller to establish bid prices at artificial, noncompetitive levels; and
- iv) "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the Sales process or affect the execution of a contract.

6.4. INTERPRETATION

6.4.1 The contract constitutes the entire agreement between the Seller and the Buyer and supersedes all communications, negotiations and agreements (whether written or oral) of the parties with respect thereto made prior to the date of Contract.

6.4.2. No amendment or other variation of the Contract shall be valid unless it is in writing, is dated, expressly refers to the Contract, and is signed by a duly authorized representative of each party thereto.

6.4.3 Severability if any provision or condition of the Contract is prohibited or rendered invalid or unenforceable, such prohibition, invalidity or unenforceability shall not affect the validity or enforceability of any other provisions and conditions of the Contract.

6.5. LANGUAGE

6.5.1 The Contract as well as all correspondence and documents relating to the Contract exchanged by the Seller and the Buyer, shall be written in English language. Supporting documents and printed literature that are part of the Contract may be in another language provided they are accompanied by an accurate translation of the relevant passages in the language specified, in which case, for purposes of interpretation of the Contract, this translation shall govern.

6.5.2 The Buyer shall bear all costs of translation to the governing language and all risks of the accuracy of such translation, for documents provided by the buyer.

6.6. JOINT VENTURE CONSORTIUM OR ASSOCIATION

6.6.1. If the Buyer is a joint venture, consortium, or association, all of the parties shall be jointly and severally liable to the Seller for the fulfillment of the provisions of the Contract and shall designate one party to act as already with authority to bind the joint venture, consortium, or association. The composition or the constitution of the joint venture, consortium, or association shall not be altered without the prior consent of the Seller.

6.7. ELIGIBILITY

6.7.1. All goods delivered under this contract shall be complied with applicable specifications provided by the Seller unless otherwise stated the product has no warranty. In the absence of such standards, the products should be tested at the independence laboratory acceptable to both Seller and Buyer before shipment and within the validity for removal of the goods.

6.8. GOVERNING LAW

6.8.1. The Contract shall be governed by and interpreted in accordance with the laws of the Democratic Socialist Republic of Sri Lanka.

6.9 SETTLEMENT OF DISPUTES

6.9.1. The Seller and the Buyer shall make every effort to resolve amicably by direct informal negotiation any disagreement or dispute arising between them under or in connection with the Contract.

6.9.2. If, after twenty-eight (28) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the Seller or the Buyer may give notice to the other party of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given. Any dispute or difference in respect of which a notice of intention to commence arbitration has been given in accordance with this Clause shall be finally settled by arbitration. Arbitration may be commenced prior to or before delivery of the Product under the Contract. Arbitration proceedings shall be conducted in accordance with the Arbitration Act No:11 of 1995.

6.9.3. Notwithstanding any reference to arbitration herein,

(a) the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree; and (b) the Buyer shall pay the Seller any monies due the Seller.

6.10. SCOPE OF SALE

6.10.1. The Products to be sold / delivered and the services to be rendered shall be as specified with Section- 3, Products for Sale, Related Services and Specifications

6.11. BUYER'S RESPONSIBILITIES

6.11.1. The Buyer shall clear the stock purchased and execute the Services in accordance with Section - 3 Products for Sale and Related Services and Seller as well.

6.12. CONTRACT PRICE

6.12.1. Bid price offered by the Bidder for the Products and the Related Services performed under the Contract shall not vary from the prices quoted by the bidder in its bid.

6.13. TERMS OF PAYMENT

6.13.1. The Contract Price, shall be paid as specified in the clause **4.8.10 of Section -4 ITB & BD.**

6.13.2. The Seller's request, for payment shall be made to the Buyer in writing, accompanied the Pro forma Invoice describing as appropriate

6.13.3. Payments could be made promptly by the Buyer/ successful bidder at the request for payment by the Seller until Contract Agreement is signed. referred to the Pro forma Invoice and submission of acceptance for award.

6.14. TAXES AND DUTIES

6.14.1. The Seller will be entirely responsible originally for all Inland Taxes, Duties, License Fees, etc. However, where there is any compensation of product in place of any measures both agreed, the expenses incurred upon submission of subsequent documentary incidental thereto viz taxes, levies License fees shall be borne by the Buyer

6.15. PERFORMANCE SECURITY

6.15.1. As specified in the Instructions to Bidder **clause 4.8.7 of Section – 4 ITB&BD** the buyer shall not furnish or provide a performance security. The Bid Security submitted is continued instead of Performance for the contract until the payment is made by the buyer. The payment of the tender settled by the buyer will thereafter, be the security for other obligations of the buyer until remove the stock purchased.

6.15.2. The Bid Security shall be payable to the Seller as compensation for any loss resulting from the Buyer's failure to execution of its obligations under the Contract and the payment made as well.

6.15.3. The Bid Security shall be discharged by the Seller and returned to the Buyer or relevant Bank as appropriate not later than twenty-one (21) days following the date of Completion of the Buyer's obligations in settlement of contract value under the Contract.

6.16. CONFIDENTIAL INFORMATION

6.16.1. The Seller and the Buyer shall keep confidential and shall not, without the written consent of the other party hereto, divulge to any third party any documents, data, or other information furnished directly or indirectly by the other party hereto in connection with the Contract,

6.16.2. The Buyer shall not use such documents, data, and other information received from the Seller for any purposes unrelated to the contract. Similarly, the Seller shall not use such documents, data, and other information received from the Buyer for any purpose other than the performance of the Contract.

6.16.3. The above provisions shall not in any way modify any undertaking of confidentiality given by either of the parties hereto prior to the date of the Contract in respect of the sale or any part thereof.

6.16.4. The provisions of Terms & Conditions of Contract Clause 6.16 shall survive completion or termination, for whatever reason, of the Contract.

6.17. SPECIFICATIONS AND STANDARDS

6.17.1. Constituent of Mineral and Specifications of the Product, unless otherwise stated as no warranty, delivered under this Contract will conform to the Mineral Composition of the product provided in the Specifications in accordance with **clause 3.3 of Section- 3 PRS & SPCS**

6.17.2 The products for sale under no warranty are specified with the percentage of mineral in the products and size distribution of the grains only for reference of the bidders pursuant to section -3 PRS & SPCS. The seller will not warrant for these products on any reasons

6.18. PACKING AND DOCUMENTS

6.18.1. The Seller, as stated in the Section- 3 PRS & SPCS deliver the products in bulk or bagged with the required documents.

6.18.2. The Seller, despite to the mode of package, could accept the specific packaging of products if the Buyer will bear the entire cost of packaging.

6.19. INSURENCE

Unless otherwise specified in the Section -3 regarding the obligation with regard to the insurance, the Seller will be account for the product until such a period specified for removal or delivery of the products to the buyer or their Transport Contractor on Exw, Pulmoddai basis. Thereafter, responsibility upon any loss or damage incidental thereto in acquisition, transportation, storage and freight is vested with the buyer.

6.20. TRANSPORTATION

unless otherwise specified in the Section -3 PRS & SPCS the inland transport will be on account of the Buyer, the responsibility in transportation of the Goods and freight shall be on account of the Buyer.

6.21. INSPECTIONS AND TESTS

6.21.1. The Seller shall at its own expenses and at no cost to the Buyer carries out all tests and/or inspections of the Goods at the Seller's premises before the shipment of product. If the Buyer needs to analyze the product on their own expenses, the Seller will grant permission for their own analysis.

6.21.2. The buyer or its designated representative shall be entitled to attend for the test and/or inspections. If such instant buyer shall bear all of its costs and expenses incurred on such attendance including, but not limited to, all traveling and board and lodging expenses.

6.21.3. The Seller shall provide the buyer with a report of the detailed results of any test and / or inspection carried out on request of bidder.

6.21.4. The buyer has no permission to reject any products after imported to their destination outside Sri Lanka. However, where the Seller found any dispute/ wrong in the products at the Seller's end, a proportionate compensate either by the same product or payment for the buyer at the discretion of the Seller. The responsibility vested with the Seller or Buyer should executed within a reasonable time frame allowed by the Seller.

6.22. FORCE MAJEURE

6.22.1. The Seller will not be liable for forfeiture of buyer's Bid Security or stock if and to the extent that its delay and failure to perform its obligations under the Contract is at the result of an event of Force Majeure.

6.22.2. For purposes of this Clause, "Force Majeure" means an event or situation beyond the control of the Seller/Buyer that is not foreseeable, unavoidable, and its origin is not due to negligence or lack of care on the part of the Seller/Buyer. Such events may include, fires, floods, epidemics, quarantine restrictions, and freight embargoes.

6.23. EXTENSION OF TIME & DEMURRAGES

6.23.1. There is no any extension for removal of stock or settlement of payment where there is no acceptable reasons or any case of Force Majeure.

6.23.2. The demurrage will be charged at LKR125 per MT or an amount equivalent in USD per week for the stock not removed within 45 days pursuant to **clause 4.9.7 of Section - 4 ITB & BD**. The Seller will not be account for contamination or loss to the stock not removed within the period originally established for removal. The maximum period for removal of the stock will be 90 days along with the extension granted if any from the award of tender. The Seller has right to forfeit the stock not removed by the party within 90 days of the award of tender.

6.24 THE CUSTOM CLEARANCE LEVY

6.24.1 The Export Customs clearance and any other charges incurred with the Ports and Customs are on account the buyer unless otherwise stated in the Section 3 PRS & PECS

6.24.2. The Export CESS imposed by the Government for export of Mineral products shall also be borne by the Buyer.

6.25. TERMINATION

6.25.1 The Seller, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the Successful Buyer, may terminate the Contract in whole or in part:

- i) if the Successful Buyer fails to remove and clear any or all of the stock within the period specified in the Contract, or within any extension thereof granted by the Seller.
- ii). if the Successful Buyer fails to perform any obligation under the Contract; or breach the terms and conditions stipulated in the tender document
- iii). if the Successful Buyer, in the judgment of the Seller has engaged in fraud and corruption, as defined in Clause 3 of Section – 6 T&CC and clause 4.2 of Section 4 ITB & BD, in completing for or in executing the Contract.

6.25.2 The Seller may take action to deprive the opportunity for participating for the tender to whom the shipping documents and permits provided by Seller will not be returned/ submitted after completion of the exports pursuant to the clause 4.9.6 of Section 4 ITB &BD and the bidders who are breaching terms and conditions of Contract.

26. ASSIGNMENT

6.26.1. Neither the Seller nor the Buyer shall assign, in whole or in part, their obligations under this Contract, except with prior written consent of the other party.

6.26.2. The Successful Bidder has no permission to change or commit of ownership of the Tender to the other party.

SECTION 7 – BIDDING FORMS

- (a) Prescribed Bid Submission Form (PBSF)
- (b) Prescribed Bid Form (PBF)
- (c) Specimen Bid Guarantee Form (SBGF)

Bid Submission Form

[Note: the purchaser is required to fill the information marked as “*” and delete this note prior to selling of the bidding document]
[The Bidder shall fill in this Form in accordance with the instructions indicated No alterations to its format shall be permitted and no substitutions shall be accepted.]

Date..... [insert date (as day, month and year) of Bid Submission]

Ref- Tender No.: [insert number of bidding process]

To:..... [* insert complete name of Seller]

.....
.....
.....

We, the undersigned, declare that:

- a). We have examined and have no reservations to the Bidding Documents, including Addenda No.:..... [insert the number and issuing date of each Addenda];
- b). We offer the bid to purchase in conformity with the Bidding Documents and in accordance with the removal of goods Within time frame specified in the Section -3 PRS&SPCS on sale of [* insert a brief description of the Goods]
- c). The total value of our Bid offered without applicable Royalty is USD..... [insert the total value in figure (qty x rate)] [insert in words]
at a price of USD for Rutile per MT,
USD for Zircon per MT,
USD for Hi-Ti Ilmenite per MT
USD NMHMC per MT
USD for LGZC per MT on
Exw, IRZ Plant, Pulmoddai basis [insert the rate of bid prices in words only];
- d). Our bid shall be valid for a period of 45 days pursuant to Clause 4.5.4 of Section -4 ITB & BD from the Date fixed for the bid submission deadline and it shall remain binding upon us and may be accepted at any time before the expiration of that period;
- e). If our bid is accepted, we commit to purchase and remove on time the product(s) paying the full Tendered value given in the Pro- forma Invoice raised by the Seller in accordance with clause 4.8.10 of Section – 4 ITB & BD and clause 6.13.1 of Section -6 T&CC.
- f). We have no conflict of interest in accordance with clause 4.4.1 of Section -4 ITB & BD
- g). Our firm, for any part of the contract, has not been declared blacklisted by any statutory bodied.
- h). We understand that this bid, together with your written acceptance thereof included in your Notification of award, shall constitute a binding contract between us, until a formal contract is prepared and execute
- i). We understand that you are not bound to accept the highest evaluated bid or any other bid that you may receive.

..... [insert signature of person whose name and capacity are shown]

..... [insert the legal capacity]

..... [insert full name of person signing the Bid Submission Form]

Duly authorized to sign the bid for and on behalf of.....: [insert complete name of Bidder]

Dated on day of [insert date of signing]



Ministry of Industry & Commerce
LANKA MINERAL SANDS LIMITED
PRESCRIBED BID FORM



Tender No.: LMS/MKT/TDR/18/03

Details of the Bidder

Name of Company:

Address :

.....

.....

Tele Phone Fax..... Mobile T.P

Email..... Website.....

The Bid Prices proposed to purchase

	Product	Quantity	Bid Security	Terms of Payment	Terms of Delivery on	Period of time for removal of the Goods	Bid Price in USD per Metric tonne.
01	Rutile (HS2614 00 20)	800 MT	LKR9,742,720.00 or USD 64,000 .00	100% on Advance	Exw. IRZ Plant, Pulmoddai, 40kg/ bag	45 days from the date of award of tender	
02	High Titanium Ilmenite (HS2614 00 10)	2000MT	LKR4,566,900.00 or USD 30,000.00		Exw. IRZ Plant, Pulmoddai, In Bulk	45 days from the date of award of tender	
03	Non- Magnetic Heavy Mineral Concentrate (HS26 15 00 90)	5000MT	LKR12,558,975.00 or USD 82,500.00		Exw. IRZ Plant, Pulmoddai, In Bulk "AS IS" in the Condition	45 days from the date of award of tender	
04	Low Grade Zircon crude (HS2615 10)	10000MT	LKR1,522,300.00 or USD 10,000.00		Exw. IRZ Plant, Pulmoddai, In Bulk "AS IS" in the Condition	45 days from the date of award of tender	

PASTE HERE THE PHOTOCOPY OF PAYMENT ADVICE ISSUED BY THE BANK UPON PAYMENT OF BID SECURITY IN CASH OR ATTACH THE ORIGINAL BID SECURITY IF IN THE FORM OF BANK GUARANTEE.

[In addition to above the copies of Valid Business Registration along with document specimen signatures of the Board of Company therein, Audited Financial Statement (last year), and Evidence in documents to prove the competence of the bidder should also be attached]

Authorized Signatory

1. Name ; 2. Name ;
Designation ; Designation;
Address ; Address ;

.....
Specimen Signature; Specimen Signature;
.....
NIC / Passport No. NIC / Passport No.....
(Attach a copy) (Attach a copy)

Authorization of the Chairman/ Managing Director of Bidder's Company

I /we hereby agree with the terms and conditions stipulated in the tender document and abide to the instructions of Seller, Lanka Mineral Sands Ltd and duly authorized to sign the correspondence of behalf of

..... our/ my Company.
Name in full ;
Capacity / Designation;
NIC/ Passport No ; (please attach a copy)
Authorized Signature ; Date; Common Seal ;

BID GUARANTEE

[This Bank Guarantee form shall be filled in accordance with the instructions indicated in brackets]

----- [Insert issuing agency's name and address of issuing
branch or office]

----- [Insert **Beneficiary:**

Date: ----- [insert (by issuing agency) date]

BID GUARANTEE No.: ----- [insert (by issuing agency) number]

We have been informed that ----- [insert (by issuing agency) name of the Bidder; if a joint venture, list complete legal names of partners] (hereinafter called "the Bidder") has submitted to you its bid dated ----- [insert date (by issuing agency)] (hereinafter called "the Bid") for the purchase of ----- [insert name of product (s)] under Invitation for Bids No. ----- [insert IFB number] ("the IFB").

Furthermore, we understand that, according to your conditions, Bids must be supported by a Bid Guarantee.

At the request of the Bidder, we -----
----- [insert name of issuing agency] hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of ----- [insert amount in figures] -----
----- [insert amount in words] upon receipt by us of your first demand in writing accompanied by a written statement stating that the Bidder is in breach of its obligation(s) under the bid conditions, because the Bidder:

- a) has withdrawn its Bid during the period of bid validity specified; or
- b) does not accept the correction of errors in accordance with Bid Evaluation Criteria or
- c) having been notified of the acceptance of its Bid by the Purchaser/ Buyer during the period of bid validity,
 - (i) fails or refuses to execute the Contract Form, if required, or
 - (ii) fails or refuses to settle the tendered value within the stipulated period, in accordance with the 4.8.10 of ITB&BD.

This Guarantee shall expire:

- (a) if the Bidder is the successful bidder, upon our receipt of copies of the Contract signed by the Bidder and of settled the tendered value in full within the time frame by the Bidder; or
- (b) if the Bidder is not the successful bidder, upon the earlier of (i) our receipt of a copy of your notification to the Bidder that the Bidder was unsuccessful, otherwise it will remain in force up to ----- (insert date)

Consequently, any demand for payment under this Guarantee must be received by us at the office on or before that date.....

[Signature(s) of authorized

SECTION 8 – SPECIMEN CONTRACT FORM

8.1 – Contract Agreement.

CONTRACT AGREEMENT

This contract Agreement is made the day of 2018
by and between,

(1)..... a company registered under the Company Act The Democratic Socialist Republic of Sri Lanka and having its principal place of business at Sri Lanka (hereinafter called “the Seller”), and
(2)..... bearing registration No. and having its principal place of Business
at..... (Hereinafter called “the Purchaser”)

WHEREAS modus operandi in the contract agreement is that the seller invites bids for the sale of Dry Ilmenite under tender no (here after called and referred to as “the product” and the successful bidder (hereafter called and referred to as “purchaser”) upon a price inclusive of all relevant taxes (herein after called and referred to as “contract price” adhering to the tentative monthly schedule embodied in the Bidding Document and both seller and Purchaser agree that this contract agreement to term as a forward sales agreement of which shall last for a period of one year from the date of signing NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Terms & Conditions of Contract referred to as follows :

- a) “Contract” means the Contract Agreement entered into between the Seller and the Buyer, together with the Contract Documents referred to therein, including all attachments, appendices, and all documents incorporated by reference therein.
- b) “Contract Documents” means the documents listed in the Contract Agreement, including any amendments thereto.
- c) “Contract Price” means the price payable to the Seller as specified in the Contract Agreement, subject to such additions and adjustments thereto or deductions therefrom, as may be made pursuant to the Contract.
- d) “Day” means calendar day.
- e) “Completion” means the fulfillment of the supply / shift of Goods to the destination specified and completion of the Related Services by the Seller and buyer in accordance with the terms and conditions set forth in the Contract.
- f) “T&CC” means the Terms & Conditions of Contract.
- g) “Goods” means all of the commodities and/or other materials that the Seller is required to supply to the buyer under the Contract and buyer is to remove on time
- h) “successful bidder ” means the entity purchasing the Goods and Related Services, as specified in the Products for Sale and Related Services and further deined in the T&CC.
- i) “Related Services” means the services incidental to the supply of the goods, such as delivery of goods, removal of goods and documentary works on transport, exports and imports and other such obligations of the Seller and Buyer under the Contract.
- j) “Subcontractor” means any natural person, private or government entity, or a combination of the above, to whom any part of the Goods to be supplied or execution of any part of the Related Services is Sub contracted by the Seller or Buyer.
- k) “Seller” means the natural person, government entity, or a combination of the above, whose bid to perform the Contract has been accepted by the buyer and is named as such in the Contract Agreement.
- l) “The IRZ Plant ,” where applicable, means the place named in the tender document as the delivery point of goods on Exw-Pulmoddai basis and the place of stored the mineral products for delivery.

2. Seller and Successful bidder agree that the following documents listed below is which is an integral part of the tender procedures in respect of this transaction and pledge to adhere and to respect to the terms, conditions, rulings and requirements of the documents that are integrated to this sale and purchase agreement and undertake not to violate any of these conditions.

- A. Bidding document
- B. Tender Notice together with following supporting documents.
 - Instructions to Bidder & Bidding Data (ITB&BD)
 - Bid Evaluation criteria
 - Acceptance of award
 - Pro forma Invoice
 - Bidding Forms
 - 1) Prescribed Bid Submission Form
 - 2) Prescribed Bid Form
 - 3) Agreed goods removal frame (schedule)
 - 4) Bid guarantee

- 3) Seller undertakes to supply of 9,000 Dry Ilmenite within a stipulated period mentioned in the clause 4.9.7 & 4.9.8 of Section- 4 ITB & BD
- 4) The Successful Bidder /Purchaser undertakes to remove the stocks within the 45 days period mentioned in clause 4.9.7 of Section-4 ITB&BD and pursuant to clause 6.23 of Section -6 T&CC

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of Democratic Socialist Republic of Sri Lanka on the day, month and year indicated above.

For and on behalf of the Seller

.....

the capacity of

In the presence of Mr. General Manager.....NIC /Passport No.
 Issued on Signature

for and on behalf of the Purchaser

..... (Signature)
 (Name in Full)

Authorized Signatory
 In the capacity of Director

In the presence of Mr. of (PVT) Ltd
 NIC/ Passport No..... Issued on Signature.....