

## Section II

### Instructions to Bidders (ITB)

#### Invitation for the Expression of Interest (EOI for Partnering with CSC in Sea Transportation of Coal for the Lakvijaya Power Station at Puttalam, Sri Lanka –2019/20 to2020/21

#### EOI Data Sheet

Date of issue: 24<sup>th</sup> June 2019

**This EOI Data Sheet (EOIDS) provides information in a tabular form to assist interested parties-for submission of their EOIs.**

- (a) Name of the Contract:Contract of Affreightment with Ceylon Shipping Corporation Ltd. for Transportation of Coal to Port ofPuttalam Port, Sri Lanka
- (b) TenderNo:CSC/2019/T/Coal/COA/1
- (c) Quantity of Coal to be transported:1,100,000Metric Tons  $\pm$  20% per Season.
- (d) Term of the Contract:Two (02) Seasons
- (e) Expected discharging window:

Season 1: from 01<sup>st</sup> Week of Sep 2019 to mid-April 2020

Season 2: from Sep / Oct 2020 to mid-April 2021 – to be declared

#### **EOI Data Sheet (EOIDS)**

Item No.	Data Sheet for Expression of Interest	
1.	Name of the Procuring Entity  Address of the Procuring Entity  Telephone No.  Telefax. No.  Email Address	Ceylon Shipping Corporation Ltd.  Chairman, Ceylon Shipping Corporation Ltd. No. 27, MICH Building Sir RazikFareedMawatha (formerly Bristol Street) Colombo 00100 Sri Lanka  +9411 2328772/3  +94112447546  chairman@cscl.lk
2.	Place at which information / clarifications can be obtained & Forms for EOI can be purchased	Chartering & Agency Department of CSC Tel. +94 11 2328772 – 3 ext. 249  Mobile + 94 71 5656715  Fax +94 11 2447547  email: saman@cscl.lk
3.	Last date for applying Clarifications	18 <sup>th</sup> July2019 until 1600 hrs

<b>Item No.</b>	<b>Data Sheet for Expression of Interest</b>	
4.	Non-refundable Fee for purchasing EOI Documents	LKR 100,000/= (Sri Lanka Rupees One Hundred Thousands) + VAT
5.	Place at which Forms for EOI will be received	Tender Box Planning & Developments Division of Ministry of Ports & Shipping and Southern Development No. 19, Chaithya Road Colombo 00100 Sri Lanka
6.	Closing Date & Time for EOI	1500 hrs (Sri Lanka Standard Time) on 25 <sup>th</sup> July 2019
7.	Location and Time of Opening of Applications for EOI	Conference Room Ministry of Ports & Shipping and Southern Development No. 19, Chaithya Road Colombo 00100 Sri Lanka  Soon after closing of the EOI
8.	Refundable Bid Security for the Bidding (applicable for shortlisted Bidders at the Second Stage)	USD 5,000/= (United States Dollars Five Thousand) or equivalent in LKR (at the prevailing exchange rate)
9.	Performance Security for the Bidding (applicable for the selected Bidder at the end of the Second Stage of the Tender before awarding of the Contract)	USD 82,350.00 (United States Dollars One Hundred Thousand) or equivalent in LKR (at the prevailing exchange rate)
10.	Source Bank for Exchange Rates	Central Bank of Sri Lanka

## 1. Introduction

- 1.1. Mother vessels carrying coal discharge at the anchorage about 5.0 km offshore at the port of Puttalam. The anchorage area is within a radius of about 1.0 km from the anchoring location of approximately 08° 00' N, 079° 40' E. Two ships can be safely anchored at any time under normal weather conditions.

Bidders are advised to study the available depths at the anchorage area from the Chart/s available at the National Hydrographic Office (NHO), National Aquatic Resources Research & Development Agency (NARA), Crow Island, Mattakkuliya, Colombo 15, Sri Lanka (website: [www.nara.ac.lk](http://www.nara.ac.lk)).

- 1.2. There are no pilotage services for ships available at the port of Puttalam. Masters of the ships shall safely navigate their ships to / from the anchorage location on their own using their owned-Paper / Electronic Charts and the Charts for the anchorage area available for sale at the NHO, Sri Lanka.

Since the inception, only geared Ultramax, Supramax, Panamax and Kamsarmax sized vessels have been used for transportation of coal. Up to April 2019, 221 ships have safely transported and discharged coal to LVPS.

- 1.3. Coal is discharged at the anchorage into self-Propelled Barges (SPBs), which are unloaded at the Jetty using the Grabbed Gantry Cranes.

## 2. Expression of Interest(First Stage) and the Competitive Bidding(Second Stage)

This is a Two Staged Procurement Process. The competitive parameters and the selection criteria are elaborated under the Paragraph 8 in this ITB.

### 2.1. First Stage—EOI for Pre-qualification of Bidders:

The EOI Documents including the Draft Contract of Affreightment for the First Stage will be made available to the interested Bidders for reference free of charge at the Chartering & Agency Department in the 1<sup>st</sup> Floor of CSC Office mentioned in the EOIDS and in the website of CSC [www.csc.lk](http://www.csc.lk), before purchasing of EOI Documents after the payment of the Non-refundable Fee stated in EOIDS

If an overseas Bidder wishes, CSC will allocate a EOI Document by assigning a Serial Reference Number in that EOI Document to that particular Bidder upon receipt of a written request and the payment of a Non-refundable Fee for purchasing of EOI Documents by Telegraphic Transfer or Cash Deposit in the CSC's Bank Accounts mentioned under the Clause no. 21.

The duly filled EOI Documents along with all the supporting documents should be submitted in sealed envelope marked as "EOI for the COA for Transportation of Coal" and addressed as instructed in the EOIDS above before the EOI Closing Date and Time stated in the EOIDS.

### 2.2. Second Stage - Bidding & the Process of Offering Lower Base Freight Rates

The selection of the Substantively Responsive Bidder at the first stage (hereinafter also referred to as the 'Selected Partner') for the COA of CSC will be at the Second Stage through a competitive bidding process.

CSC shall inform all the shortlisted Bidders in writing by fax / email of the Base Freight Rates quoted by the Selected Coal Supplier in LCC's Tender for Procurement of Coal.

The shortlisted Ship Owners should offer / bid the lowest possible Base Freight Rates than the Base Freight Rate/s quoted by the Selected Coal Suppliers from load port/s to the discharge port, which will be intimated by CSC.

Such Bids must be submitted by the shortlisted ship owners before the Closing Date and Time to be intimated in due course for submission of the Bids, subject to terms and conditions of this ITB and the ITB to be issued at the Second Stage and the draft COA.

Since LCC needs to finalize their Term / Spot Tenders and award the Contract to the selected Bidder for supply of Coal as soon as possible, CSC will be granted a limited time (two to three days) to confirm matching of freight rates by CSC. In view of above, Bidders shortlisted through the EOI could be granted even a shorter time to submit their Lower Bids. Therefore, it will be in the best interest of the Bidders to study the terms and conditions of the draft COA well in advance and be ready to bid / match the Base Freight Rate/s to be offered.

### **3. Sea Training for Sri Lankan Merchant Shipping Cadets**

The Government of Sri Lanka promotes Vocational Training of Sri Lankan youths as an important segment in the macroeconomic policies of the country. In keeping with this policy and being the National Sea Carrier, CSC provides Sea Training for Merchant Shipping Cadets on its owned ships as well as on third-party ships.

CSC expects the Selected Partner through this process to provide Sea Training on ships owned or managed or bareboat chartered by the Selected Partner free of cost to CSC, which will be an added advantage to the Bidder at the selection process.

The offered number of training billets should be provided at any given time right throughout the contract period and until the successful completion of the respective Seaman Employment Agreements, which may be still in force even at the time of expiry of COA.

### **4. The EOI Documents**

In addition to the ITB, the EOI Documents include following documents;

- (a) EOI Data Sheet
- (b) Form 1: Statement of Bidders
- (c) Form 2 and 2A: Experience
- (d) Form 3: References
- (e) Form 4: Financial Status of Bidders
- (f) Form 5: Primary Banker's Information
- (g) Form 6: Litigation as the Respondent
- (h) Form 7: Details of the Ships Firmly Offered to be Deployed into the Operation (owned and chartered)
- (i) Form 8: Declaration by the Bidders with Regard to Non-Blacklisting / Non-Debarment
- (j) Form 9 – Additional Information by Bidders
- (k) Form 10: Declaration of Acceptance of the Terms and Conditions of the draft Contract of Affreightment (COA) of CSC
- (l) Annex 1: Addenda Receipt
- (m) Annex 2: Power of Attorney / Board Resolution, as applicable
- (n) Annex 3 : Specimen Format of Bid Security
- (o) Annex 4: Specimen Format for Performance Security

The Bidders are expected to examine all instructions, forms, terms, specifications and other information in the EOI Bidding Documents and the draft COA. Failure to furnish all information required by the EOI Documents or submission of Application for EOI may result in rejection of its Application.

## 5. Documents to be Submitted by Bidders

Bidders should courier / mail by registered post/ hand-deliver the originals of documents in sealed envelope as mentioned below on or before the closing time as per the EOIDS.

- (a) Forms 1 to 10 duly filled and signed
- (b) Addenda Receipt, if any Duly Filled and Signed by the Bidders
- (c) Power of Attorney / Board Resolution
- (d) Bid Security
- (e) In the case of a Company, Certificate of Incorporation and related documents
- (f) PCA 3 Form, if applicable.
- (g) Receipt issued by CSC or a copy of the SWIFT or Bank Slip for the payment of Fee for purchasing EOI Documents (Refer EOIDS)

### Note:

Please note that PCA-3 Form is a prescribed Form under the Public Contracts Act No.3 of 1987, which specifies the persons required to register with the Registrar of Public Contracts. This act is available for your reference at website;

[http://www.lawnet.lk/section.php?file=http://www.lawnet.lk/docs/statutes\\_1956\\_2006/indexsVol2/1987YOVOC3A.html](http://www.lawnet.lk/section.php?file=http://www.lawnet.lk/docs/statutes_1956_2006/indexsVol2/1987YOVOC3A.html)

## 6. Eligibility, Capacity and Qualifications of the Bidders for Consideration of being Shortlisted

### 6.1. Operational and Chartering Capacity of the Bidders

The vessels of CSC and the Selected Partner will be dovetailed in a one single Laycan Schedule to be prepared in due course. In order to schedule about 32 – 36 shipments per Season within the short window of time available, load port laycans of 10 days will have to be prepared overlapping on each other.

The Selected Partner should be able to deploy mix of their owned ships as well as chartered ships from the spot market, as and when required, enabling to place ships at the load port/s with the required gap of about 05 days between ships as per the laycan Schedule.

Further, Base Freight charges will be always payable before breaking bulk only at the destination. Bill of Ladings shall be released promptly on this basis of payment as per the COA.

Therefore, it will be imperative that the Selected Partner has the knowhow, financial, chartering and operational capacities and competence to charter suitable ships from the charter market for ensuring uninterrupted delivery of Coal within the given period of time and accomplish the joint task.

The Partner to be selected under this Procurement shall be solely responsible for the performance of transportation of the quantity of Coal that CSC will offer.

### 6.2. The following factors will be considered to judge the eligibility of the Bidders for being shortlisted;

- (a) Owning and operating of at least 05 single deck geared dry-bulk ships, which can load parcels of thermal coal in size of 60,000 MT +/- 10% More or Less Owner's Option (MOLOO) and available free of any charters or encumbrances for deployment under the intended COA with CSC.
- (b) Minimum experience of 05 years in owning and operating of geared dry-bulk carrier ships in the range of Supramax / Ultramax / Panamax including loading and discharging at anchorage ports using ships' cranes and floating cranes.
- (c) Having experience in transportation of an aggregate of 04 (four) million MT of coal or other bulk cargoes in last 36 months up to 31<sup>st</sup> March 2019 (from 1<sup>st</sup> April 2016).
- (d) Minimum turnover of USD 10 (ten) million or equivalent per annum, over the last 03 (three) financial consecutive years (from 1<sup>st</sup> Jan 2016 to 31<sup>st</sup> Dec 2018) from the business of owning and operating of dry-bulk carriers including transportation of Coal.
- (e) Technical suitability of following minimum parameters of the ships owned by the Bidders, which are intended to be put into operation;

- Validity of Class Certificates (should be a Class acceptable to the Sri Lanka Flag Administration)
  - Validity of Protection & Indemnity Insurance Covers
  - Validity of other Statutory and relevant Trading Certificates mentioned in the Form 7.
  - Age less than 10 years
- (f) The minimum specifications of the ships to be deployed shall be as follows;
- Age: less than 10 years
  - DWCC: 60,000 MT +/- 10 % MOLOO
  - Cranes : 04 Electro-hydraulic cranes with minimum SWL of 30 MT
  - Grab capacity: minimum 10 CBM

### 6.3. Documents for Evaluation for Shortlisting of Bidders:

The Bidders shall provide evidence of the financial capacity, number of owned ships, number of ships chartered and the details of the COAs performed by the Bidders during last 03 years to prove the capability to perform the COA effectively, to the satisfaction of the Project Committee / SCAPC.

Bidders shall be evaluated based on the following information;

- (a) Information and Experience of the Bidders (Form No.01&02);
- (b) Details of the ships owned by the Bidders offered to be deployed in to the operation (Form 7).
- (c) Experience over the last three (3) years (Form 2). The Bidders must provide breakdown / information / details of the quantities carried and declare in the Form 2, in separate papers / sheets showing the contracts, customers, load and discharge ports etc. in the Form 2A;
- (d) References of past customers, together with the contact address, etc. of each customer, in order to show past performance (Form 3);
- (e) Evidence of financial standing. Full set of Annual Reports and audited financial statements for the last three (3) consecutive years (Form 4);
- (f) Authority to seek references from the Bidder's Bankers (Form 5);
- (g) Information regarding any commercial litigations in Courts of Law or Arbitration, in which the Bidders is or was involved as a Respondent in the past three (3) years, the parties concerned, and disputed amounts (Form 6)
- (h) Copies of the Valid Trading Certificates of the ships owned and operated by the Bidders intended to be deployed in to the operation mentioned in the Form 7;
- (i) Declaration by the Bidders with Regard to Non-Blacklisting / Non-Debarment (Form 8):
- (j) Additional information (Form 9)
- (k) Declaration of Acceptance of the Terms and Conditions of the draft Contract of Affreightment (COA) of CSC by the Bidders (Form 10);
- (l) A letter declaring the willingness to offer sea training berths for Sri Lankan merchant marine Cadets will be an added advantage.

## 7. Steps of Evaluation of Bidders at the First Stage (EOI)

The evaluation of Applications for shortlisting will be carried out in 02 steps.

### Step 1: Preliminary Examination

At this Step it will be examined whether following documents have been duly filled, signed and submitted;

- a) Check whether the Power of Attorney / Board Resolution has been submitted;
- b) Check whether the Certificate of Registrar of Public Contracts has been submitted (in case the Bidder is a local Agent)
- c) Receipt issued by CSC or the SWIFT for the payment of Fee for purchasing EOI Documents;

The Applications, which have satisfied the above Preliminary Examination for Responsiveness, will be evaluated in detail for the Technical suitability of the ships offered.

## **Step 2: Technical Evaluation of the ships owned and operated by the Bidders**

At this Step following verification of Bids will be performed;

- a) Check the Bid Security
- b) Verify the ownership of minimum 05 ships by the Bidder, each of which can carry 60,000 MT +/- 10% (Form 07)
- c) Verify whether the specifications of ships owned by the Bidders meet with the specifications mentioned in the ITB (Clause 6.2. (e) and 6.2.(f);
- d) Check whether the duly signed Declaration of Acceptance of the Terms and Conditions of the draft Contract of Affreightment (COA) of CSC has been submitted by the Bidders (Form 10).
- e) Documents to prove the experience of minimum of 03 years in owning and operating of geared dry-bulk carriers of specified capacity in transportation Coal and the quantity carried (Form 02);
- f) References provided (as per Form 03);
- g) Financial Information (Form 04);
- h) Litigation if any (Form 06) and

The Bidders, whose owned ships and the corporate, financial and chartering capacity and experience meet with all the requirements and accept the terms and conditions of the draft COA, will be considered for being shortlisted for the Second Stage (Competitive Bidding).

## **8. Competitive Parameters for the Selection at the Second Stage (Bidding)**

Competitive parameters for the selection of the best Partner from among the shortlisted Bidders shall be as follows;

- 8.1. Offer lower Base Freight Rates from the respective load ports as declared by the prospective selected Coal Supplier in compliance with the terms and conditions laid down in the draft Contract of Affreightment;
- 8.2. Offer an Address Commission of 5.0% (minimum) on Positive Bunker Adjustment payments and demurrage & detention charges;
- 8.3. Agreeability to appoint CSC as the ships' Agent at the discharge port of Puttalam;
- 8.4. The substantially responsive Bids, which are qualified under 8.1. to 8.4. above will be evaluated to check the Lowest Substantially Responsive Base Freight rate/s from the main port/s of loading of LCC.
- 8.5. The Bid, which offers the Lowest Evaluated Base Freight rate/s will be recommended for the award of the Tender for the COA. The number of sea training berths offered for Sri Lanka merchant marine Cadets will be an added advantage.

## **9. Compliances with International & National Regulations**

- 9.1. The Selected Partner shall ensure that the Master / vessel shall comply with all the Regulations of the Inter-national Maritime Organization (IMO) as well as local Regulations of the Port State Control (Director General of Merchant Shipping Secretariat), Sri Lanka Ports Authority (SLPA), Marine Environment Protection Authority of Sri Lanka (MEPA), Sri Lanka Navy (SLN), Sri Lanka Customs (SLC) etc.
- 9.2. The Selected Partner shall undertake that the vessels to be deployed under the intended COA, irrespective of whether vessels are owned or chartered by the Partner, shall fully comply with the 'International Convention for the Prevention of Pollution from Ships' (MARPOL) of the International Maritime Organization (IMO), up to the Annex VI or the latest in force during the tenure of this COA. CSC shall not be responsible for any non-compliance by the ships to be deployed by the Selected Partner under this COA, in whatsoever form at load port or discharge port or during the sea passages.
- 9.3. The Selected Partner shall ensure that the vessels to be deployed under this COA, irrespective of whether vessels are owned or chartered by the Partner, shall fully comply with the 'International Convention for the Prevention of Pollution from Ships' (MARPOL) of the International Maritime Organization (IMO), up to the Annex VI or the latest in force during the tenure of this COA. CSC shall

not be responsible for any non-compliance by the ships to be deployed by XXX under this COA, in whatsoever manner at load port or discharge port or during the sea passages.

#### **10. Notification of Acceptance for Shortlisting**

Once pre-qualified and shortlisted, Bidders will be formally informed in writing electronically by email or Telefax. Once the Base Freight Rates to be matched by CSC is known, CSC will inform the registered Bidders to send their Bids as mentioned under Clause 2.2 above.

#### **11. Cost for Pre-qualification & Bidding**

The Bidders shall bear all costs associated with the preparation and submission of its applications for EOI and Bidding and CSC will in no case be responsible or liable for these costs, regardless of the conduct or outcome of the Bidding process. By participating in the EOI / bidding, each Bidder agrees and acknowledges that in no event shall it be entitled to make a claim of any kind against SCAPC or the Project Committee or CSC or CSC's officers, employees, or consultants arising out of, relating to, or in any way connected with the Bidder's / Bidder's EOI / Bid or CSC's consideration thereof.

#### **12. Clarification of EOI Documents**

Bidders, who have purchased EOI Documents and requiring any clarification of the EOI Documents, may notify CSC in writing or electronically by email or telefax at the CSC's address indicated in the EOIDS. CSC will respond in writing to appropriate clarifications sought not later than the time and date mentioned in EOIDS. Written copies of the CSC's response (including an explanation of the query but without identifying its source) will be sent to all Bidders, who have purchased the EOI Documents up to the time of issuing of each clarification by CSC. When purchasing of EOI Documents all Clarifications issued up to that time, also will be issued.

#### **13. Amendment of EOI Documents**

At any time prior to the deadline for submission of EOIs, CSC may, for any reason, whether at its own initiative or in response to a clarification requested by Bidders who have purchased EOI Documents, amend the EOI / Bidding Documents and / or the draft COA by issuing Addenda. Notice of any amendments will be made available in writing and electronically by email or telefax to all Bidders who have purchased the EOI Documents and will be binding on them.

Bidders are required to immediately acknowledge the receipt in writing or electronically by email and using the Addenda Receipt provided in Annex 1 for any such amendment with the Bid. It will be assumed that the information contained therein will have been taken into account by the Bidders in its EOI.

#### **14. Language of EOI**

The EOI prepared by the Bidders and all correspondence and documents related to the EOI exchanged by the Bidders and CSC, shall be written in the English language, provided that any printed literature furnished by the Bidders may be written in another language so long as accompanied by an English translation by sworn translator. For purposes of interpretation of the EOI, the English translation shall govern. Any document submitted in another language without accompanying English translation by sworn translator shall not be considered for the evaluation of the EOI.

#### **15. Format and Signing of EOI**

The Bidders shall prepare one original and one certified copy of the EOI submission documents, clearly marking each one as 'Original' and 'Copy' as appropriate. The Original and the copy of the EOI, each consisting of the documents listed in Clause 04 above, shall be typewritten or otherwise reproduced in indelible ink and shall be signed by the Bidders or a person or persons duly authorized to bind the Bidders to the EOI. The said authorization shall be indicated by written Power-of-Attorney / Board Resolution accompanying the EOI and submitted as Annex 2 to the EOI. All pages of the EOI shall be initialled by the person or persons signing the EOI.



The EOI shall not contain any interlineations, erasures or overwriting except as necessary to correct errors made by the Bidders, in which case such corrections shall be initialled by the person or persons signing the EOI.

#### 16. **Submission of EOIs**

The Bidders shall submit the EOI;

- (a). Addressed to Chairman, SCAPC;
- (b). Bear the Contract Name and the Number.

#### 17. **Deadline for Submission of EOIs**

SCAPC may at its discretion extend this deadline for submission of EOIs by amending the EOI Documents in accordance with Clause 13, in which case all rights and obligations of CSC and Bidders previously subject to deadline will thereafter be subject to the deadline as extended.

#### 18. **Late EOIs**

Any EOI received after the deadline for submission of EOIs will be rejected.

#### 19. **Opening of EOIs**

The Bidders' names, submission of the duly filled Power of Attorney / Board Resolution will be announced and recorded at the EOI Opening Meeting, by the Opening Committee.

The representatives of Bidders, who are present, shall be requested to sign the schedule prepared by the EOI Opening Committee to confirm their attendance.

#### 20. **Clarification of Matters in the EOIs Submitted by the Bidders**

To assist in the examination, evaluation and comparison of EOIs, as directed by the SCAPC and / or the Project Committee, CSC may seek clarifications from the Bidders on their EOIs.

The request for clarification and the response shall be in writing and no change in the substance of the EOI shall be sought, offered or permitted.

#### 21. **Bid Security Applicable at the Second Stage (Bidding Stage)**

At Second Stage, all the Bids shall be accompanied by a Bid Security in the amount and currency and validity as specified in the EOIDS. The Bid Security, in the Form provided in Annex 3, shall be a Bank Guarantee issued by a Bank operating in Sri Lanka, approved by the Central Bank of Sri Lanka or a Cash Deposit in United States Dollars or in an equivalent amount converted at the Selling Exchange Rate of the Central Bank of Sri Lanka on the date of depositing, in following Bank Account of CSC;

##### USD Account:

Beneficiary	Ceylon Shipping Corporation Ltd
Account Number	004 - 4021 - 6 -0210916 (USD Feea A/c No)
SWIFT Code	PSBKLKLLX
Name & Address Of Bank	People's Bank International Banking Division No. 91 ACHC Building Sir Chittampalam A Gardiner Mawatha Colombo 02 Sri Lanka

##### LKR Account:

Beneficiary:	Ceylon Shipping Corporation Ltd.
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Account Number: 1400209102  
SWIFT Code: CCEYLKLX  
Name & Address of Bank: Commercial Bank of Ceylon Plc  
Foreign Branch  
21, Sir RazikFareedMawatha  
P.O.BOX 853  
Colombo 01  
Sri Lanka  
Fax +94 11 2449889  
Email: [email@combank.net](mailto:email@combank.net)

Any Bid not secured as aforesaid shall be rejected as non-responsive.

Unsuccessful Bidders' Bid Security will be discharged as promptly as possible following provision of Performance Security by the successful Bidder, but not later than 30 days after the expiration of the period of Bid Validity to be advised in due course at the Second Stage.

The successful Bidder's Bid Security will be discharged upon the Bidder's signing the COA with CSC, pursuant to Clause 23 of the ITB as the fulfilment of the Conditions Precedent, which is issuance of the Performance Security as stated in the Clause 34 of the Implementation Agreement (Draft Contract of Affreightment).

## **22. Validity of Bids at the Second Stage (Bidding Stage)**

Bids shall remain valid for a period to be advised at the Second Stage. A Bid valid for a shorter period shall be rejected by SCAPC as non-responsive.

In exceptional circumstances, SCAPC may solicit Bidder's consent to an extension of the period of validity of their Bids. The request and responses thereto shall be made in writing or by email or telefax. If a Bidder accepts to prolong the period of validity, the Bid Security shall also be extended accordingly. A Bidder may refuse the request without forfeiting its Bid Security. Any Bidder granting the request will not be permitted to modify its Bid.

The Bid Security may be forfeited:

(a) If a Bidder;

- i) Withdraws its Bid during the period of Bid Validity to be advised at the Second Stage; or
- ii) Refuses to accept any arithmetical correction necessary in the Bids; or

(b) In case of a successful Bidder, if the Bidder fails (i) To sign the Contract in accordance with after being awarded of the Contract; or

- (ii) To furnish Performance Security in accordance with Clause 23.

## **23. Performance Security Applicable at the Second Stage (Bidding Stage)**

Within 03 days of receipt of the Letter of Acceptance at the Second Stage, the successful Bidder shall furnish the Performance Security for the amount given in the EOIDS in the format attached as Annex 4.

The Performance Security in the Form of a Bank Guarantee shall be issued by a bank operating in Sri Lanka, approved by the Central Bank of Sri Lanka. If the Contract is extended, the Performance Security shall be extended by the Bidder accordingly.

Failure of the successful Bidder to submit a Performance Security or to sign the Contract of Affreightment with CSC after being awarded of the Contract shall constitute sufficient grounds for the annulment of the award and forfeiture of the Bid Security.

## **24. Contacts with CSC**

Subject to Clause 12 and 20, no Bidders shall contact CSC or any other person or organization involved on any matter relating to this EOI, from the time of the opening of EOIs to the time the Contract is awarded.

Any effort by Biddersto influence CSC inEOI evaluation, EOI comparison or Contract Award decisions may result in rejection of the EOI / registration.

## **25. Award of Contract**

While taking in to account the lowest evaluated substantial responsive Net Freight rate offered and if necessary after negotiations by the SCAPC on behalf of the CSC, the SCAPC will determine to its satisfaction whether the Bidder having submitted the responsive Bid and recommended for selection by the evaluation process, is qualified to satisfactorily perform the Contract.

SCAPC reserves the right to accept or reject any EOI at the First Stage and / or any Bid at the Second Stage, and to cancel the EOI and Bidding process and reject all EOIs / Bids at any time prior to the issuance of the letter of award, without thereby incurring any liability to the Bidders or any obligation to inform the Bidders of the grounds for SCAPC's action.

## **26. Notification of Acceptance and Signing of the Contract**

After determining of the successful Bidder in accordance with the Clause 07 and 24, and thereafter upon obtaining the final approval of the Cabinet of Ministers prior to the expiration of the period of Bid validity, CSC will notify the successful Bidder in writing by registered letter or electronically by email or telefax that his Bid has been accepted.

Within 03 working days of receipt of the Letter of Acceptance, the successful Bidder shall enter into a Contract of Affreightment with CSC. The date and venue for signing the Agreement shall be agreed between the Parties.

**Form 1 – Statement of Bidders**

Items	Response of the Bidder								
1. - Name of Firm - Acronym (if any): - Former Name of Firm (if any): - Year established under former name (if applicable):	..... ..... .....								
2. Address of Head Office - Street : - P.O. Box (if any): - Postal Code, City, Country: - Telephone No.: - Telefax No.: - Web address:	..... ..... ..... ..... ..... .....								
3. Contact Person - Name: - Position / Title: - Telephone No.: - Telefax No.: - E-Mail address	..... ..... ..... ..... .....								
4. Type of Organisation (check one of the spaces): - Individual Owner - Partnership - Private Company - Public Corporation - Joint-Venture - State Enterprise - Other	<table border="1" style="margin-left: auto; margin-right: auto;"> <tr><td style="width: 30px; height: 20px;"></td></tr> <tr><td style="width: 30px; height: 20px;"></td></tr> <tr><td style="width: 30px; height: 20px;"></td></tr> <tr><td style="width: 30px; height: 20px;"></td></tr> <tr><td style="width: 30px; height: 20px;"></td></tr> <tr><td style="width: 30px; height: 20px;"></td></tr> <tr><td style="width: 30px; height: 20px;"></td></tr> <tr><td style="width: 30px; height: 20px;"></td></tr> </table>								
5. Date of incorporation: Place of Incorporation: Note: attach the Certificate of Incorporation	..... .....								
6. Is this a group firm formed by its member firms?	(yes) (no)								
7. Is this a parent firm with subsidiaries?	(yes) (no)								
8. Branch of Specialisation: (Please attach brochures to demonstrate the specialisations mentioned here)	..... ..... ..... .....								
9. In case the Bidder is a joint- venture, list here names and address of all members and proportion of their participation:									

	<p>(a) Leading Member (Lead Partner)</p> <p>Other Members:</p> <p>b)</p> <p>c)</p> <p>d)</p> <p>e)</p>	<p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p>
<p>Total annual turnover as per the audited accounts in the last three (3) consecutive financial years in equivalent USD. The figures for each of the partners of a Joint Venture shall be added together to determine the Joint Venture's compliance with the minimum qualifying criteria set out in the Clause 6.2.(d).of the ITB.</p>		<p>2016..... million USD</p> <p>2017..... million USD</p> <p>2018..... million USD</p>

Bidder's Signature..... Date & Place: .....

**Form 2 –Experience**

Item		Bidder's Response	
1	How many years has your organization been in business under your present business name:	..... .....	
2	How many years of experience in work related to sea transportation of coal	..... .....	
3	Indicate years of organization's overseas experience in sea transportation of coal, if any	..... ..... .....	
4	Indicate the quantity of bulk cargoes transported during last 03 years up to 31st March 2019 (refer Clause 6.2.(c). of the ITB)	Year	Total Quantity MT
		2016/17	
		2017/18	
		2018/19	

**We hereby declare that we have provided breakdown / information / details of the contracts, customers, and load and discharge ports of the above quantities in the Form 2A.**

Bidder's Signature..... Date & Place: .....

Form 2A – Details of the Experience (Using own Ships and Chartered Ships)

Cargo Carried under COAs

Customer	Commodity	Period of COA (from / to)	Contracted Quantity MT	POL/POD	Base Freight Rate/ Charter Hire USD	Quantity Carried MT
Total MT						

Spot Market Operations (Trip Charters / Voyage Charters)

Customer	Ship's Name	Owner	Commodity	Type (Trip Charter / Voyage Charter)	POL/POD	Freight Rate / Charter Hire USD	Quantity MT
Total MT							

Grand Total : ..... MT

Bidder's Signature.....

Date & Place: .....

**Form 3 – References**

Please list, as references, the names and addresses to which your firm has performed sea freight services in the last three (3) years. These References shall be supported by separate letters issued by the Referees addressed to Chairman, SCAPC.

a. Firm Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Business Relationship: \_\_\_\_\_  
\_\_\_\_\_  
Contact Name: \_\_\_\_\_  
Phone/Email: \_\_\_\_\_  
Quantity transported

b. Firm Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Business Relationship: \_\_\_\_\_  
\_\_\_\_\_  
Contact Name: \_\_\_\_\_  
Phone/Email: \_\_\_\_\_

c. Firm Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Business Relationship: \_\_\_\_\_  
\_\_\_\_\_  
Contact Name: \_\_\_\_\_  
Phone/Email: \_\_\_\_\_  
Quantity transported

Bidder's Signature.....

Date & Place: .....



**Form 4 – Financial Status of Bidders**

Bidders shall summarize assets and liabilities in U.S. Dollar equivalent (at the rates of exchange that prevailed at the end of each year) for the last three (3) consecutive years.

Financial information in USD equivalent		2016	2017	2018
1.	Total assets			
2.	Current assets			
3.	Total liabilities			
4.	Current liabilities			
5.	Sales			
6.	Gross Profits			
7.	Profits before taxes			
8.	Profits after taxes			

Bidders shall attach full sets of Annual Reports or the Audited Financial Statements for the last three (3) consecutive years as above or this Form No. 04 shall be certified by the Chartered Accountant of the Bidder's company.

Statement by the Chartered Accountant of the Bidder's company:

I confirm that above figures represent a true and fair view of the Bidder's Audited Financial Accounts.

Signature of the Chartered Accountant .....

Date & Place: .....

Stamp:

Bidder's Signature.....

Date & Place: .....



**Form 5 –Primary Banker’s Information**

Name, address, and telephone and fax numbers of the company’s bankers who may provide references if contacted by CSC.

Items		Bidder’s Response
1.	Name of Bank:  Address:  Contacts: - Telephone Number: - Telefax Number:	..... ..... ..... ..... ..... ..... .....
2.	Name of Bank:  Address:  Contacts: - Telephone Number: - Telefax Number:	..... ..... ..... ..... ..... ..... .....

Bidder’s Signature.....

Date & Place: .....

**Form 6 – Litigation as the Respondent**

The Bidders shall provide below information on Litigation in Court of Law or Arbitration in which the Bidder are or were involved as the Respondent in the past three (3) consecutive years.

Nature of Litigation / Arbitration	Plaintiff	Cause of Dispute	Suit Value (USD)	Current Status as of the date of EOI

Bidder's Signature.....

Date & Place: .....

**Form 7 - Details of the Owned / Chartered Ships Firmly Offered to be deployed into the Operation.**

Bidders shall submit following details in tabulated form for each and every ship owned by the Bidders and the chartered ships, intended to be deployed under the COA;

1. Name of the Ship
2. IMO No.
3. Rightship Status
4. Name of the Owner
5. Flag
6. Year & month Built
7. Class
8. Expiry Date of Class
9. P&I Club
10. Whether the vessel is fitted with a Scrubber or not?:  
Affirmatively the type of Scrubber (Open Loop or Closed Loop or other):
11. Expiry Date of P&I Cover
12. DWT (MT)
13. LOA (M)
14. Beam (M)
15. Fully Loaded Draft (M)
16. Beam (M)
17. Max Draft (M)
18. Air-draft (M)
19. No. of Holds/Hatches
20. Type of Hatch Covers
21. Capacity and Types of Cranes
22. Types of Grabs
23. Capacity of Grabs
24. Number of Mooring Bollards
25. Following Trading Documents shall be submitted for each and every ship intended to be put to this operation, and owned by the Bidder;
  - (a) Certificate of Class
  - (b) Certificate of Registration
  - (c) Certificate of Hull & Machinery Insurance
  - (d) Certificate of P&I Insurance
  - (e) SMC
  - (f) DOC for DG
  - (g) ITC
  - (h) ILLC
  - (i) ISPP
  - (j) IOPP
  - (k) IAPP
  - (l) Duly filled and signed Baltic-99 Questionnaire

**Form 8: Declaration by the Bidders with Regard to Non-Blacklisting / Non-Debarment**

**Undertaking Declaration by the Bidders on Company Letter Head with Regard to Non -Blacklisting / Non-Debarment**

To:

Chairman  
Standing Cabinet Appointed Procurement Committee (SCAPC)  
Ministry of Ports & Shipping & Southern Development  
No. 19, Chaithya Road  
Colombo 00100  
Sri Lanka

We hereby confirm and declare that we, M/s.....,  
is not blacklisted / de-registered / debarred by any Government Department / Public Sector Undertaking /  
Private Sector/ or any other agency for which we have Executed / Undertaken the works/ Services during  
the last 5 years.

For

Bidder's Signature.....

Date & Place: .....

**Form 9– Additional Information by Bidders**

The Bidders is requested to list below any additional information submitted with the bid such as company brochures, company annual reports and any other relevant information.

Bidder's Signature.....

Date & Place: .....

**Form 10: Declaration of Acceptance of the Terms and Conditions of the draft Contract of Affreightment (COA) of CSC (Undertaking Declaration by the Bidders on Company Letter Head)**

To:

Chairman  
Standing Cabinet Appointed Procurement Committee (SCAPC)  
Ministry of Ports & Shipping & Southern Development  
No. 19, Chaithya Road  
Colombo 00100  
Sri Lanka

We hereby confirm and declare that we, M/s....., confirm the Acceptance of the Terms and Conditions of the draft Contract of Affreightment (COA) of CSC.

For

Bidder's Signature.....

Date & Place: .....



**Annex 1: Addenda Receipt**

**Reference: Clause 5.(b). - Instructions to Bidders**

CEYLON SHIPPING CORPORATION LIMITED  
INVITATION FOR BIDS NO: CSC/2019/T/Coal/F/1  
BIDDERS:

We, the undersigned hereby acknowledge that the revision, and/or supplemental information and explanation set forth in this Annex have been incorporated into the preparation of our Application and shall be deemed to form a part of the EOI Documents.

Addendum No. .... dated .....

Addendum No. .... dated .....

Addendum No. .... dated .....\_\_

..... .....

FOR AND ON BEHALF OF  
(BIDDER'S NAME)

\_\_\_\_\_

\_\_\_\_\_

(Authorized Signature)

Name :  
Position :  
Place and Date :

## **Annex 2 : Form of Power of Attorney or Board Resolution**

**Reference: Clause 15 in the Instructions to the Bidders**

### **Note:**

The Bidders shall attach a **Power of Attorney**, duly authorised by a Notary Public or a Board Resolution, indicating that the person(s) signing the this Application / Bid have the authority to sign the Bid and that the Application / Bid is binding upon the Bidders during the full period of its validity in accordance with ITB Clause 15.

### Annex 3 : Specimen Format of Bid Security

#### Reference: Clause 21 in the Instructions to Bidders

[On the letterhead of the issuing bank]

[Date]

Your ref.: Procurement No.: CSC/2019/T/Coal/COA/1

To:

Ceylon Shipping Corporation Ltd.  
No. 27, MICH Building  
Sir RazikFareedMawatha (formerly Bristol Street)  
Colombo 00100  
Sri Lanka

Dear Sirs,

We have been informed that \_\_\_\_\_ (hereinafter called the "Bidder") is submitting a Bid for a contract for sea transportation of coal in response to your invitation under Procurement No. CSC/2019/T/Coal/F/1, and that the conditions of your invitation, which are set out in a document entitled Instructions to Bidders require its Bid to be supported by a Bid security.

At the request of the Bidder, we (name of bank) \_\_\_\_\_ hereby irrevocably undertake to pay you, the Beneficiary, any sum or sums not exceeding in total the amount of United Sates Dollars ...../= (say: United Sates Dollars .....)upon receipt by us of your demand in writing and your written statement (in the demand) stating that:

- (a) The Bidder has, without your agreement, withdrawn its Bid after the latest time specified for its submission and before the expiry of its period of validity, or
- (b) The Bidder has refused to accept the correction of errors in its Bid in accordance with such conditions of invitation, or
- (c) Having been notified of acceptance of its Bid during the validity period of bid validity;
  - (i) The Bidder fails or refuses to execute the Lightering Agreement or
  - (ii) The Bidder fails or refuses to furnish the Performance Security, in accordance with Instructions to Bidders.

Your demand and statement must be received by us at this office on or before .....2019 when this guarantee shall expire and be returned to us.

This guarantee is personal to you and is not assignable. This Bid Security shall be governed by the Laws of Sri Lanka.

Signature(s) \_\_\_\_\_

Date & Place: \_\_\_\_\_

#### Annex 4: Specimen Format for Performance Security

##### Reference: Clause 23 in the Instructions to Bidders

[On the letterhead of the issuing bank]

[Date]

Your ref.: Procurement No.: CSC/2019/T/Coal/COA/1

To:

Ceylon Shipping Corporation Ltd.

No. 27, MICH Building

Sir Razik Fareed Mawatha (formerly Bristol Street)

Colombo 00100

Sri Lanka

Dear Sirs,

**Account:** [Name of the Bidder]

We, the undersigned Issuing Bank, understand that:

(a) You, Ceylon Shipping Corporation Ltd., of No. 27, MICH Building, Sir Razik Fareed Mawatha (formerly Bristol Street), Colombo 00100, Sri Lanka wishes to enter into a Contract of Affreightment in pursuance to the Clause 23 of the Instructions to the Bidders in your Invitation for Bids No. CSC/2019/T/Coal/COA/1 dated .... 2019, with the [Name of the Bidder] and;

(b) Under the said Tender no. CSC/2019/T/Coal/COA/1 the [Name of the Bidder] must provide to you a Performance Security.

At the request of the [Name of the Bidder], we [Name of the Bank] hereby unconditionally and irrevocably undertake as primary obligator and not as surety merely to pay you, the Beneficiary, any sum or sums not exceeding in total the amount of United States Dollars ..... (say: United States Dollars .....), the "guaranteed amount," upon receipt by us of your first demand in writing without your needing to prove or to show grounds or reasons for your demand for the sum specified therein.

We hereby waive the necessity of your demanding the said debt from the [Name of the Bidder] before presenting us with the demand.

We further agree that no change or addition to other modification of the terms of the Agreement to be performed thereunder or of any of the document which may be made between you and the [Name of the Bidder] shall in any way release us from any liability under this guarantee, and we hereby waive notice or any such change, addition or modification.

Your demand and statement must be received by us at this office on or before (*the date 70 days after the expected expiry of the Term of the Agreement*)..... 2019 (the 'expiry date'), when this guarantee shall expire and shall be returned to us.

This guarantee is personal to you and your legal successors, and is not assignable. This guarantee shall be governed by the laws of Sri Lanka.

Date \_\_\_\_\_ Signature(s) \_\_\_\_\_