



පරන්තන් කෙමිකල්ස් කම්පැනි ලිමිටඩ්
பரந்தன் கெமிக்கல்ஸ் கம்பனி லிமி ட்ல்ட்
PARANTHAN CHEMICALS COMPANY LIMITED
කර්මාන්ත අමාත්‍යාංශය.
கைத்தொழில் அமைச்சு.
MINISTRY OF INDUSTRIES.



TELEPHONE : +94-112437556 / +94-112435473 No.446, L3,
+94-770599920/ +94-772800076 Galle Road,
Ratmalana,
Sri Lanka.
E-MAIL : gm@pccl.gov.lk
pccagmsupplies@gmail.com
FAX NO : +94-11-2437555
WEB SITE : <http://www.pccl.gov.lk/>
<http://www.industry.gov.lk/> 08th November 2022

GENERAL CONDITIONS OF TENDER FOR THE
PURCHASE OF 200 METRIC TONS OF CAUSTIC SODA FLAKES
BID NO. PCCL/20/CSF/2022/4

01. International Competitive bids are hereby invited by the Chairman, Department Procurement Committee, Paranthan Chemicals Company Limited (which is a 100% government owned company and functioning under the Ministry of Industries of Democratic Socialist Republic of Sri Lanka), on behalf of the Tender Board, **from manufacturers/ principals (Without paying Local Agent Commission)** for the supply of the following item: -

- | | | |
|------------------------------|---|-----------------------------------------------------------------------------------|
| (a) Description of Material | - | Caustic Soda Flakes |
| (b) Technical Specifications | - | As indicated in para 12 |
| (c) Quantity | - | 200 Metric Tons in
25 kg. x 2 ply PP bags
to be supplied in one
Shipment |

02. BIDDING DOCUMENTS

Bids must be submitted in original and duplicate in the attached bid submission form /offer sheet & marked "Original" and "Duplicate" and the tender conditions should be signed and returned along with the offer.

03. MANUFACTURER'S SPECIFICATIONS

The manufacturer's specifications and other details of the items offered and annex descriptive literature etc. should be provided in English by the Bidder / Bidders.

04. CLOSING OF BID

All Bids shall be marked '*Bid for the Supply of 200 Metric Tons of Caustic Soda Flakes*' in a clearly filled sealed cover and sent through post or courier as to reach The Chairman, Department Procurement Committee, Paranthan Chemicals Company Ltd, No.446, L3, Galle Road, Ratmalana, Sri Lanka not later than 12.00 a.m. on 29th November 2022. If manufacturer or Foreign Principal can be sent their tenders by post or courier, shall deposit sealed tender marked as aforesaid in the Company's Tender Box placed at Paranthan Chemicals Company Ltd, No.446, L3, Galle Road, Ratmalana, Sri Lanka not later than 12.00 a.m 29th November 2022. Proof of posting/ courier receipt will not be accepted as a valid reason for the late receipt of tenders.

05. BUSINESS ADDRESS

Bidders should state in their tender the address to which orders, notices and correspondence relating to the bids and agreements should be sent. Any change of address should be notified to the Chairman, Department Procurement Committee, Paranthan Chemicals Company Ltd, No 446, L3, Galle Road, Ratmalana, Sri Lanka, immediately and such notification should be acknowledged by the Company. Orders, notices and correspondence will be sent to the stated address.

06. TIME OF OPENING OF BIDS

Bids will be opened immediately after the closing of the bid at the Head Office of Paranthan Chemicals Company Limited, No 446, L3, Galle Road, Ratmalana, Sri Lanka. Bidders or their an authorized persons will be allowed to be present at the opening of bids on the date and time and at the office specified in this clause.

07. PERIOD OF BID VALIDITY

Price offered by all bidders shall hold good for acceptance for a minimum period of 60 days from the date of closing of bid. In the event the period of validity is not stipulated in the Offer Sheet, the offer shall be rejected.

08. OFFERS

The bidder should clearly indicate in the offer sheet on the CIF price of the Caustic Soda Flakes and All-inclusive Freight charges separately. The Company may accept the offer on CIF terms. It will strictly be on CIF terms.

All quotations must be in word and figures, any changes, erasures, alterations, or amendments should be authenticated by the tenderer's full signature. In the event of any discrepancy between words and figures, the amount given in words shall prevail or

extreme cases Department Procurement Committee will have the right to decide on offers.

The offers shall be in US Dollars.

09. FREIGHT CLAUSE

This clause has been prepared by considering the Ministry of Ports and Shipping gazette of notification No 2041/10 dated 17th October 2017 the Act No 10 of 1972, and under the section 7 of the Licensing of Shipping Agents Act No. 10 of 1972 as amended read with Regulation 12 of the Extra Ordinary Gazette 1877/26 dated 28.08.2014 of the Democratic Socialist Republic of Sri Lanka. (A copy is attached herewith for your reference). According to this.

“All Licensing of shipping agents, freight forwarders, non-vessel operating common carriers and container operators (Structure of charges) will be followed under mentioned procedures”.

All charges on containerized cargo which cover the entire cost of the carriage of goods referred to in the transport document from the origin to destination shall be included in the all-inclusive freight specified in the bill of lading which shall be recovered only from the party who is contractually bound to pay the same.

“The service provider has to submit all-inclusive freight “shall include: -

- a. Charges on full container load:
- b. Terminal handling charges:
- c. Charges for the issuance of bill of lading or forwarders cargo receipt: and
- d. Charges on less than container load cargo (if applicable): and “Origin to destination
“Means the carriage of goods from,
 - i. Container yard to container yard:
 - ii. Container freight station to container freight station:
 - iii. Container yard to container freight station:
 - iv. Container freight station to the container yard.

No, other charges will be paid to the service provider/s by the Paranthan chemicals company Ltd, under any circumstances.

Please note that a special operation plan (SOP) is to be followed when loading cargo to the containers and taking photographs by covering the inner side, bottom side, and outer sides of the container/s before loading to an inspect the container/s condition and to prevent paying unnecessary damages to the container/s. prior to loading and after loading photographs to be sent to the importer before departure of the ship from the loading port.

For those who have not followed the above procedure, PCCL will not bound to pay either liner charges, any damages or PCCL will not follow a Joint survey procedure.

Gazette Notification No.2302/24 dtd 20th October 2022 is also relevant.

10. FULFILMENT OF CONDITIONS OF THE BID

All documents including offer sheet shall be completed in full and duly signed in the appropriate place. Bidders should submit their offers in our offer sheet and any additional information may be annexed.

11. MODE OF PAYMENT

Payment will be made by the Company by an irrevocable Letter of Credit and payment terms as follows:

- (a) 70% on shipments against submission of shipping documents.
- (b) Balance 30% on completion of accepting of goods by the quality control board in Sri Lanka within 02 weeks.
- (c) Advance payment or deviation from Paranthan Chemicals Standard payment terms (more than 70% on shipment) will require on demand, unconditional, encashable bank guarantee for same amount acceptable to Paranthan Chemicals Company Limited.

Letter of Credit will be provided for payment against the following:

- (a) Clean on Board Bill of Lading if accepted on CIF basis or clean on board freight prepaid Bill of Lading showing destination as Colombo, indicating amount of freight paid on the Bills of Lading and the freight receipt issued by the shipping Company indicating the freight should be annexed, if accepted on CIF Colombo full Liner Term basis.
- (b) Manually signed invoices in quintuplicate showing cost freight and insurance separately. (HS Code and CIF cost of each item should be indicated in the invoices).
- (c) Certificate from manufacturers stating that the items shipped were manufactured by them.
- (d) Packing list in duplicate indicating gross weight, net weight in Kg and dimension of each package.
- (e) A test certificate should indicate date of manufacture and expiry for each batch / lot where necessary for the consignment, obtained from the Intertek Laboratory or any other internationally accepted testing laboratory and should be sent along with the shipping documents. Test certificate shall comply with quality parameters indicated under item 12 of the offer sheet.

- (f) A copy of the test Certificate should be couriered directly to the Paranthan Chemicals Company Limited, along with the non-negotiable copies of Bill of Lading, invoices and packing lists within 03 days from the Date of Bill of Lading.
- (g) Documents in respect of sea freight cargo should necessarily be sent by fax, courier or email. This is a compulsory requirement, which the successful bidder should comply with, to facilitate any clearness of cargo on arrival, without payment of demurrage charges. Demurrage charges, if any which become payable due to the supplier's failure to comply with above requirements will be claimed from supplier.

12. DETAILS OF DOCUMENTS TO BE SUBMITTED WITH THE OFFER

Full details of the offer, including complete specifications inclusive of relevant literature should be submitted. Where the necessary literature and Manufacturer's specifications are not sent, the Company reserves the right to consider same as an incomplete offer and reject it. In addition to completing the bidding form the following should be furnished in completing the bid.

- (a) A Manufacturer's quality certificate
- (b) Material Safety data sheet (MSDS)
- (c) Packing particulars
- (d) All bidders are requested to perfect and return their bidding documents in duplicate completed in full and duly signed in the appropriate place. Bidders should submit their offers in our offer sheet, and any additional information may be annexed.
- (e) Make, Model, country of origin, year of manufacture and entire shelf life (at least 90% of the shelf life should remain at the time of receipt of items to Paranthan Chemicals Company Ltd), expire date (two years of expiry should be available) details should be provided.
- (f) Food grade certificate, if available

13. SPECIFICATIONS FOR CAUSTIC SODA FLAKES

The Caustic Soda Flakes should conform to the following specifications: -

General Requirements : The Caustic Soda Flakes shall be free from odour, dirt, foreign matter and other visible impurities.

Caustic Alkalinity, as NaOH, % by mass	98±0.5
Carbonate, as CO ₂ % by mass, Max	0.8

Sulphate, as Na ₂ SO ₄ % by mass, Max	0.05
Iron, as Fe, mg/Kg. Max	20
Chloride as NaCl % by mass, Max	0.1
Chlorate, as NaClO ₃ % by mass, Max	0.005
Copper, as Cu, mg/Kg. Max. ppm	2.0
Matter insoluble in water, % by mass, Max	0.05

The value of analysis should be given for each of the items specified above. If the value is not given even for one item, bid would be rejected.

Every offer made should be supported by the Manufacturer's Certificate of analysis from whom Caustic Soda Flakes would be supplied.

In the event the Manufacturer's Certificate of analysis is not furnished along with the offer sheet, bid will be rejected.

Bidders shall also furnish the written consent of the Manufacturer to provide the tendered goods in the manner specified by the Company, in the event the offer is accepted. Failure to provide such documentary evidence along with the offer shall result in the rejection of the offer.

The Successful Bidder will have to supply Caustic Soda flakes from the manufacturer whose certificate of analysis had been obtained and furnished along with the offer sheet.

14. SAMPLES

Only the shortlisted bidders are required to send a sample of 500 gms. of caustic soda flakes packed in an airtight container to be delivered when informed. It is the responsibility of the bidder to ensure that the samples are received by the Chairman, Department Procurement Committee, Paranthan Chemicals Company Limited, No 446, L3, Galle Road, Ratmalana, Sri Lanka. The successful bidder if so, required by the Company shall send three samples by air each under sealed cover to Chairman, Department Procurement Committee, Paranthan Chemicals Company Limited, prior to shipment with the lot inspection report forwarded by the third party an acceptable agency (SGS OR Government recognize agency).

15. RIGHTS OF THE TENDER BOARD AND COMPANY

- (a) The Department Procurement Committee does not bind itself to accept the lowest or any bid or any part of a bid.
- (b) The Company is not responsible to pay for expenses or losses which may be incurred by any bidder in the preparation of his bidding documents.

16. TERMS

- (a) Conditions of sales (if any) and terms of payments should be clearly stated in the bid.
- (b) Documents required under the Letter of Credit should be negotiated by the supplier within 07 days of the date of Bill of Lading.

17. NAME AND ADDRESSES OF PRINCIPALS

- (a) Principal's name and address and the E-mail address should be given. The company reserves the right to reject bids which do not furnish this information.
- (b) For the purpose of awarding the bid, the Bidder is that mentioned in Cage 1,
- (c) annexed 'Offer Sheet'.

18. SHIPMENT

- (a) The Successful Bidders shall ship the Caustic Soda Flakes Shipment within 02 weeks of the receipt of the Letter of Credit. Failure to perform shall result in the revocation of the order placed.
- (b) Immediately the consignment is shipped, the supplier shall fax/ e-mail the following documents to Fax No: 94-11-2437830 / 94-11-2437557 E- Mail gm@pccl.gov.lk, pccagmsupplies@gmail.com, the name of the vessel and the quantity shipped and also courier within 03 days from the date of Bill of Lading four copies of each of the documents referred to in paragraph 11 above.

19. QUALITY AND SUITABILITY OF MATERIALS

The materials required are for sale and it will be the responsibility of the bidder to ensure, not only that the materials offered are in strict conformity with the specifications given, but also that the materials offered are suitable for the purpose indicated herein.

- (a) All materials offered in the bid should conform strictly to specifications indicated therein.

20. PACKING AND MARKING

The 200 MTs of Caustic Soda Flakes should be packed in 25kg. P.P – 2 ply bags. The bags to be woven with P.P inner lining of minimum gauge 350 and sealed to avoid absorption of carbon- dioxide and moisture from the atmosphere and capable of withstanding transport by sea, rail handling and storage. The full details of packing, the

country of origin, the country of shipment and the delivery time should be clearly indicated in the bid.

The following marking should also be made:

- (a) Manufacturer's name or registered trademark;
- (b) The word 'Caustic Soda' (NaOH) Flakes;
- (c) The Country of Origin;
- (d) Batch number;
- (e) Mass of the material in the bag;
- (f) Percentage of the Sodium Hydroxide;
- (g) Pictorial marking for 'Corrosive Material'
- (h) Shelf Life

21. DELAYS IN DELIVERY

Where successful bidder does not dispatch the materials in due time to arrive in Colombo, in accordance with the stipulated date of delivery, successful bidder shall, if so required by the Company, be bound to supply such quantities of the materials (as may be required to carry on sales uninterruptedly) at his own expenses by dispatching them by passenger vessel or other fast moving vessel or by making any other suitable arrangements in order that the material will reach Colombo in due time, to enable the Company to carry on its sales program uninterruptedly. If the supplier fails to arrange for supplies in the manner aforesaid, the Company will have the right to make other alternative arrangements and to claim from the supplier any additional expenses, losses or damages incurred by the Company.

22. DEFAULT BY SUCESSFUL BIDDER

- (a) If for any reason in the opinion of the Company, successful bidder becomes incapable or unable to supply the materials offered in his bid, the Company shall have the right to obtain such materials from other sources and the defaulter is liable to pay to the Paranthan Chemicals Company all losses, damages and expenses incurred by the Company in consequence of such default or breach.
- (b) If the successful bidder defaults in the supply or otherwise commits a breach of the contract or any part thereof, he shall be liable to pay to the Paranthan Chemicals Company Ltd. all losses, damages and expenses incurred by the Company in consequence of such default or breach.

23. BID BOND

A refundable Bid Security of 100 Dollar should be forwarded along with the bid as per the attached bid security form. (*Annexure 02*)

Bids submitted along with cheques for the refundable bid security will not be accepted by the company and the bid will be rejected.

Each bid submitted including each alternative offer should be accompanied by a separate bid security. A Bid or an alternative offer, submitted without a bid security will be rejected.

24. PERFORMANCE BOND

The successful bidder has to provide within 07 days of the letter of award, unconditional, on demand, encashable a Performance Guarantee (Bond) in the form of a Bank Guarantee of 10% of the total contract value (CIF) of the offer issued by any Commercial Bank operating in Sri Lanka and governed by Central bank of Sri Lanka an acceptable to Paranthan Chemicals Company Limited, to the effect that the deliveries will according to the delivery schedule as mentioned in this document or as agreed upon with the Chairman, Department Procurement Committee, Paranthan Chemicals Company Ltd, and should be valid up to 28 days from date of arrival of final shipment in Colombo. All the bank charges related to performance bond should be borne by the supplier. (*Please refer Annexure 03*) for the Sri Lankan Suppliers this will be considered by considering the delivery scheduled if needed.

25. BANK DETAILS

Paranthan Chemicals Company Limited bank details are as follows.

Account Holder : Paranthan Chemicals Co. Ltd
Bank Name : People's Bank
Bank Code : 7135
Branch Name : International Banking Division (004)
Account No : 004100100211301 (Sri Lankan Rupee)
Address : International Banking Division,
No.91,
All Ceylon Hindu Congress (ACHC) Building,
Sir Chittampalam A. Gardiner Mawatha,
Colombo 02.
Swift Code : PSBKLKLX

26. In case of guarantees/ securities issued directly by an overseas bank, such guarantees/ securities should be advised through a bank operating in Sri Lanka an acceptable to the central bank of Sri Lanka with a “Counter Guarantee”.
27. Quality assurance certificate and pre-shipment inspection to be arranged by the bidder at his cost if applicable.
28. Bidder should obtain export license/ clearance as applicable at bidder’s cost.
29. If any item supplied found to be non- conformity with the Paranthan Chemicals Company Limited specifications, such items will be rejected, and it is the bidder’s responsibility to collect/ remove such rejected items as early as possible at bidder’s own cost. In such circumstances, the bidder is required to replace such items with correct items which are confirming with Paranthan Chemicals Company Limited specifications without any additional cost to Paranthan Chemicals Company Limited within Thirty days (30 days) of being notified such rejection. The bidder shall bear any cost resulting from such rejections until they are replaced with correct items.

If it is found that bidder has missed represented facts in his tender, the Paranthan Chemicals Company Limited shall be entitled to reject such bid. If such miss representation is found after awarding the tender, the Paranthan Chemicals Company Limited shall be entitled to terminate the contract and to claim securities/ guarantees without any liability on Paranthan Chemicals Company Limited towards the successful bidder.

30. Bidder should give a written undertaking that the bidder agreed for the above tender conditions in the offer. Regarding bidders those who fail to confirm in writing the acceptance of conditions given in the tender invitation when submitting their quotations, it will be construed that the bidder has agreed to such conditions in the event of such bidder being awarded such tender.
31. Any undue influence, offering of bribe or any other corrupt practices will result this disqualification/ rejection of bid in addition to normal legal action.
32. Paranthan Chemicals Company Limited department procurement committee reserves the right to reject the whole offer or to accept part of the bid.
33. Successful supplier should agree to enter into a contract agreement with Paranthan Chemicals Company Ltd.

34. LAW OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

The Bid and contract resulting there from shall be governed by and construed according to the law of the Democratic Socialist Republic of Sri Lanka

35. AQUAINTANCE WITH THE BID

Bidders must fully acquaint themselves with the bid. No plea of insufficient information will be entertained at any time.

36. OTHER INFORMATION

Any other information required by the tenderers can be ascertained upon application at the office of the General Manager of the Company. (General Manager Telephone No: +94-11-2437556 /Asst.General Manager (Supplies) Telephone No: +94-11-2435473 / Supply Division Telephone No: +-11-2437557)

37. DEFAULTING BIDDERS

Bidders will not be entertained from firms or principals who have been placed in the Defaulting Contractors List of the Government of the Democratic Socialist Republic of Sri Lanka or the Company.

38. LIQUIDATED DAMAGES

If the supplier fails to deliver any or all the items within the stipulated time period liquidated damages will be charged at the rate of 0.5% of the total value of the contract per week (07 days) or part of thereof up to a maximum 10%.

39. ARBITRATION

Any dispute controversy or claim arising out of relating to this tender/contract or for the breach, termination or invalidity thereof shall be settled by arbitrator in accordance with provision of arbitration Act. No.11 of 1995 of Sri Lanka, Subject to the provisions of the Arbitration Act, the Rules of Arbitration of the International Chamber of Commerce (ICC), the United Nations Commission on International Trade Law (UNCITRAL) or Singapore International Arbitration Centre (SIAC).

PLACE OF ARBITRATION

Arbitration shall be held in Colombo, Sri Lanka.



**CHAIRMAN,
DEPARTMENT PROCUREMENT COMMITTEE,
PARANTHAN CHEMICALS COMPANY LIMITED**

**No.446, L3,
GALLE ROAD,
RATMALANA,
SRI LANKA,
DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA**

FOLLOWING SECTION TO BE FILLED BY THE BIDDER

SPECIMEN FORM OF BID

The Chairman,
Department Procurement Committee,
Paranthan Chemicals Company Limited,
No,446 ,L3,
Galle Road,
Ratmalana,
Sri Lanka.

Tender for the Supply of

1. I/We, the undersigned, having read and fully acquainted myself/ourselves with the contents of the “Information and Instructions to Tender terms and conditions of Tender” pertaining to the above Tender along with Schedules thereto, do hereby undertake to Supply the goods referred to therein in accordance with the aforesaid Instructions, Terms and Conditions for a total Bid Price of

The mark up of the aforesaid total Bid Price is given in the accompanying Price Schedule.

2. I/We confirm that this offer shall be open for acceptance until and that it will not be withdrawn or revoked prior to that date.

3. I/We attach hereto the following documents as part of my/our Bid.

(a) Bid Submission Form (Original & Duplicate)

(b) Documentary evidence

- i) to establish eligibility to bid.
- ii) to establish eligibility of goods offered from an eligible source and origin
- iii) to establish eligibility of goods offered
- iv) to establish qualifications for the performance of the contract

(c) Any other document

- i) Authorization Letter
- ii) Manufacturer Certificate of purity of caustic soda flakes (specifications)
- iii) Specimen Form
- iv) Any other required documents as per the paragraph 11 of the tender document.

4. I/We understand that you are not bound to accept the lowest bid and that you reserve the right to reject any or all bids or to accept any part of the bid without assigning any reasons, therefore.

5. We undertake to adhere to the delivery schedule.

6. My/Our Bank Reference is as follows:

Account Holder :
Bank Name :
Bank Code :
Branch Name :
Account No :
Address :
Swift Code :

Contact Person's name:

Designation:

Address:

Tel No:

Fax No:

Email Address:

Signature

Date

Company Seal

ANNEXURE 02

Format for Bid Security Guarantee

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

_____ *[insert issuing agency's name, and address of issuing branch or office]* _____.

Beneficiary: _____ *[insert (by PE) name and address of Employer/ Purchaser]*

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 "the Bidder") has submitted to you its bid dated _____ *[insert (by issuing agency) date]* (hereinafter called "the Bid") for the execution/ supply *[select appropriately]* of *[insert name of contract]* 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 if issuing agency]* hereby irrevocably undertake to pay you any some or sums not exceeding in total an amount of _____ *[insert the amount in figures]* _____ *[insert amount in words]* upon receipt by us of your first demand in writing accompanied by a written statement standing 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 the Instructions to Bidders (hereinafter "the ITB") of IFB; or
- (c) having been notified of the acceptance of its Bid by the Employer/ Purchaser during the period of bid validity, (i) fails or refuses to execute the Contract Form, if required, or (ii) fails or refuses to furnish the Performance Security, in accordance with the ITB.

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 the Performance Security issued to you 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 representative(s)]

ANNEXURE 03

ACCEPTABLE FORMAT FOR PERFORMANCE GUARANTEE

----- *[Issuing Agency's Name, and Address of Issuing Branch or Office]* -----

Beneficiary: ----- *[Name and Address of Employer]* -----

Date: -----

PERFORMANCE GUARANTEE No.: -----

We have been informed that ----- *[name of Contractor/Supplier]* (hereinafter called "the Contractor") has entered into Contract No ----- *[reference number of the contract]* dated ----- with you, for the ----- *[insert "construction"/ "Supply"]* of -----
----- *[name of contract and brief description of Works]* (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, a performance guarantee is required.

At the request of the Contractor, we ----- *[name of Agency]* hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of -----
[amount in figures] (-----) *[amount in words]*, such sum being payable in the types and proportions of currencies in which the Contract Price is payable, upon receipt by us of your first demand in writing accompanied by a written statement stating that the Contractor is in breach of its obligation(s) under the Contract, without your needing to prove or to show grounds for your demand or the sum specified therein.

This guarantee shall expire, no later than the day of, 20.. *[insert date, 28 days beyond the scheduled contract completion date]* and any demand for payment under it must be received by us at this office on or before that date.

[signature(s)]

ANNEXURE 04

CONTRACT AGREEMENT

This agreement is made and entered into at Colombo on this of, 20... between **Paranthan Chemicals Company Limited** a fully Sri Lankan Government owned Company duly incorporated under the provision of Company Act No.07 of 2007 having its registered office at No.446, Galle Road, Pan Asia Building, Rathmalana (hereinafter called “The Purchaser” which term shall where the context so requires and admits mean include the said Paranthan Chemicals Company Limited and its successors and assigns) of the one part.

AND

.....having its registered office at (hereinafter called “The Supplier which term shall where the context so requires and admits mean include the said and its successors and assigns) of the other part.

WHEREAS the purchaser invited bids for National Competitive Bidding for Supply of Metric Tons of Caustic Soda Flakes. The Department Procurement Committee of the purchaser has approved the bid made by the supplier.

NOW THIS AGREEMENT WITNESSETH as follows:

- 01.** To this Agreement words and expressions shall have the same meanings to them as are respectively assigned to them in the Conditions of Contract hereinafter referred to.
- 02.** The following documents attached hereunto shall be deemed to form and be read and construed as part and parcel of this agreement provided however its application and interpretation to be limited to the “Supply of 200 Metric Tons of Caustic Soda Flakes.”
 - (a) Tender Notice marked as **X1**
 - (b) Bid Document marked as **X2**
 - (c) The Department Procurement Committee decision dated marked as **X3**
 - (d) The Letter of Award dated marked as **X4**
 - (e) The Letter of Acceptance dated marked as **X5**
 - (f) Performance Bank Guarantee (Ref. No. dated for the period to for USD issued by Bank) marked as **X6**

03. CONTRACT PRICE:

The Agreed Contract Price for “Supply of Metric Tons of Caustic Soda Flakes” shall be USD

04. SPECIFICATIONS & STANDARDS:

Specifications and Standards applicable to the bid of “Supply of 200 Metric Tons of “Caustic Soda Flakes” shall comply to the specification and standards set out in the bid document PCCL/20/CSF/2022/04. The 200 MTs of Caustic Soda Flakes should be packed in 25kg. P.P – 2 ply bags. The bags to be woven with P.P inner lining of minimum gauge 350 and sealed to avoid absorption of carbon- dioxide and moisture from the atmosphere and capable of withstanding transport by sea, rail handling and storage. The full details of packing, the country of origin, the country of shipment and the delivery time should be clearly indicated in the bid.

05. COMPLETION PERIOD OF THE JOB:

The Supplier shall agree to supply of minimum 200 Metric Tons of Caustic Soda Flakes to the purchaser within 30 days from the opening of letter of credit.

06. DEFECT LIABILITY PERIOD:

The Defects Liability Period shall be 60 days from the date of handing over of the material to the purchaser.

07. LIQUIDATED DAMAGES:

If the supplier fails to deliver any or all the items within the stipulated time period liquidated damages will be charged at the rate of 0.5% of the total value of the contract per week (07 days) or part of thereof up to a maximum 10% and such damages shall be recovered by the buyer from any dues to the Supplier. . This is subjected to force major strikes, sabotage or any act of GOD which may occur in the origin country and availability of containers/ vessel Space.

08. PERFORMANCE BOND:

As security for the due and punctual and fulfillment of the terms and conditions of this agreement by the satisfactory completion of “Supply of200..... Metric Tons of Caustic Soda Flakes” the Supplier shall furnish the Client with a Performance Bond valued 10% of the Purchase Price from a bank operating in Sri Lanka and approved by the Central Bank of Sri Lanka. Performance Bond is valid up to 28 days beyond the delivery period. However, the Purchaser shall request to extend the validity period the performance bond as and when required.

09. PAYMENT TERMS

Payment will be made by the Company by an irrevocable Letter of Credit and payment terms as follows:

(d) 70% on shipments against submission of shipping documents.

- (e) Balance 30% on completion of accepting of goods by the after-quality testing in Sri Lanka within 02 weeks.
- (f) Advance payment or deviation from Paranthan Chemicals Standard payment terms (more than 70% on shipment) will require on demand unconditionally encashable bank guarantee for same amount acceptable to Paranthan Chemicals Company Limited.

Letter of Credit will be provided for payment against the following:

- (h) Clean on-Board Bill of Lading if accepted on CIF basis or clean on-board freight prepaid Bill of Lading showing destination as Colombo, indicating amount of freight paid on the Bills of Lading and the freight receipt issued by the shipping Company indicating the freight should be annexed, if accepted on CIF Colombo full Liner Term basis.
- (i) Manually signed invoices in quintuplicate showing cost and freight separately. (HS Code and CIF cost of each item should be indicated in the invoices).
- (j) Certificate from manufacturers stating that the items shipped were manufactured by them.
- (k) Packing list in duplicate indicating gross weight, net weight in Kg and dimension of each package.
- (l) A test certificate should indicate date of manufacture and expiry for each batch / lot where necessary for the consignment, obtained from the Intertek Laboratory or any other internationally accepted testing laboratory and should be sent along with the shipping documents. Test certificate shall comply with quality parameters indicated under item 12 of the offer sheet.
- (m) A copy of the test Certificate should be couriered directly to the Paranthan Chemicals Company Limited, along with the non-negotiable copies of Bill of Lading, invoices and packing lists within 03 days from the Date of Bill of Lading.

Documents in respect of sea freight cargo should necessarily be sent by fax, courier, or email. This is a compulsory requirement, which the successful bidder should comply with, to facilitate any clearness of cargo on arrival, without payment of demurrage charges. Demurrage charges, if any which become payable due to the supplier's failure to comply with above requirements will be claimed from supplier

10. ARBITRATION:

Any dispute controversy or claim arising out of relating to this tender/contract or for the breach, termination or invalidity thereof shall be settled by arbitrator in accordance with provision of arbitration Act. No.11 of 1995 of Sri Lanka, Subject to the provisions of the Arbitration Act, the Rules of Arbitration of the International Chamber of

Commerce (ICC), the United Nations Commission on International Trade Law (UNCITRAL) or Singapore International Arbitration Centre (SIAC).

PLACE OF ARBITRATION

Arbitration shall be held in Colombo, Sri Lanka.

11. JURISDICTION:

The law of Sri Lanka will be applicable to this tender/contract and arbitration proceeding.

12. TERMINATION OF THE CONTRACT

This Contract may be terminated

12.1 At any time by either Party, if the other Party has materially defaulted in carrying out

its obligations and/or has materially breached any of the terms and conditions contained under this Contract and if the defaulting Party has failed, neglected and/or refused to take all and/or any necessary steps and/or acts to cure and/or to remedy such default and/or breach within twenty one (21) days following the date upon which the non-defaulting Party/has given a written notice specifying the facts constituting the material default and/or breach; or

12.2 At any time by the purchaser, upon notice, if the Supplier files for or consents to any

assignment for the benefit of creditors, files or petition in liquidation, is adjudicated insolvent or take similar actions under laws of any jurisdiction for the general benefit of creditors of an insolvent or financially troubled debtor; or

12.3 by the mutual agreement of both Parties

12.4 The Provisions of Clause 08 of the Agreement, in so far they are not inconsistent with this clause, shall apply to any termination of this Contract Agreement.

13. EFFECT OF TERMINATION OF THE CONTRACT

13.1 The Supplier shall refund any monies, which have been paid by the Purchaser if the termination is due to the default of the Supplier.

13.2 Nothing herein shall effect the Parties' other rights and remedies as may be available to the Parties under applicable laws.

In Witness whereof the Purchaser and the Supplier do hereby enter into this AGREEMENT at the place and date hereinafter appearing.

(a) The Supplier:

The Common seal of Is affixed hereto in the presents of two Directors.

- 1. NIC No..... Name.....
- 2. NIC No..... Name.....

Witness:

Who do attest the signature of the Supplier hereof at Rathmalana on thisday of 2022

(1) Signature:..... (2) Signature:.....

Name :..... Name :.....

Address :..... Address :.....
.....
.....
.....

(b) The Purchaser

The Common seal of **Paranthan Chemicals Company Limited** is affixed hereto in the presence of General Manager and Assistant General Manager (Supplies) of Paranthan Chemicals Company Limited

- 1.....
- 2.....

Who do attest the sealing hereof at Rathmalana on thisday of..... 2022.

(2) Signature:..... (2) Signature:.....

Name :..... Name :.....

Address :..... Address :.....
.....
.....
.....