

**SRI LANKA RAILWAYS****INVITATION FOR BIDS****PROCUREMENT FOR THE APPOINTMENT OF INSPECTORS FOR THE  
INSPECTION OF IMPORTS TO SRI LANKA RAILWAYS  
PROCUREMENT No. SRS/F.7859**

01. The Chairman, Department Procurement Committee (Major), Sri Lanka Railways, will receive sealed bids from reputed Organizations who attend to Inspection of Cargo for the Appointment of Inspectors for inspection of Imports to Sri Lanka Railways for a period of two years.
02. Bidding will be conducted through International Competitive Bidding (ICB) procedure.
03. Interested eligible bidders may obtain further information and inspect the Bidding Documents at the address given below on working days from **07.08.2023** until **18.09.2023** from **9.00 am to 3.00 pm**.

Deputy General Manager (Procurement),  
Railway Procurement Sub Department  
Olcott Mawatha, Colombo 10, Sri Lanka.  
Telephone Nos: 94(11) 2438078/ 94(11) 2436818  
Fax No. 94(11) 2432044  
E-mail: [tender2@railway.gov.lk](mailto:tender2@railway.gov.lk) / [srs.slr@gmail.com](mailto:srs.slr@gmail.com)  
Website: [www.railway.gov.lk](http://www.railway.gov.lk)

04. Reputed Organizations that are in the field of inspection of cargo with at least 05 years' experience are eligible to bid.
05. A complete set of Bidding Documents in English Language may be purchased by interested bidders on submission of a written application to the address of the Railway Procurement Sub Department, Olcott Mawatha, Colombo 10, Sri Lanka or from the Sri Lanka Missions abroad specified in Appendix "D" from **07.08.2023** to **18.09.2023** up to **3.00 p.m.** (Sri Lanka time) on payment of a non-refundable procurement fee of **Rs.3500/-** or an equivalent sum in freely convertible currency.
06. All bids must be accompanied by a Bid Security. Amount of Bid security shall be US\$ 2,000/- or equivalent amount in freely convertible currency and shall be unconditional guarantee issued by a Bank operating in Sri Lanka and approved by the Central Bank of Sri Lanka.
07. Bids must be delivered to the address below on or before **2.00 pm** on **19.09.2023** and the bids will be opened immediately after closing of the bids. Bidders or their authorized representatives are requested to be present at the opening of the bids. Late bids will not be accepted.

The Chairman,  
Railway Procurement Sub Department,  
Sri Lanka Railways,  
Olcott Mawatha, Colombo 10, Sri Lanka.

The Chairman,  
Department Procurement Committee (Major),  
Sri Lanka Railways

## **INSTRUCTIONS TO BIDDERS**

### **(A) GENERAL**

#### 1. **GENERAL INFORMATION**

Bids are called for the provision of services mentioned in Clause 01 of the Special Conditions of Contract (SCC) and in the Invitation for Bids. Bids should be submitted in the forms obtainable from the Offices specified in Clause 02 of SCC, until the date and time mentioned in the SCC Clause 02 on payment of a non-refundable document fee indicated therein.

#### 2. **CLOSING OF BIDS**

Bids shall be sealed in accordance with Clause 17 of the Instructions to Bidders. The address to which bids shall be addressed, closing time of bids, opening time of bids and the place of opening of bids are stated in Clause 02 of SCC. Bids shall be submitted before the closing time of bids. The Bidders may hand over the sealed bid to the authorized officer to accept the bids, either personally or through an agent and obtain acknowledge before the closing time or the bidders may deposit there in the box kept for this purpose at the address mentioned in Clause 02 of SCC before the closing time.

#### 3. **ELIGIBLE BIDDERS**

Reputed Organizations that are in the field of inspection of cargo with at least 05 years' experience are eligible to bid.

The Bidders shall submit documentary proof of ability and capability and experience together with ISO certificate to provide the above service, along with past records of inspection of the Railway items and end user certificates of Railway inspections.

#### 4. **ONE BID PER DOCUMENT**

Each bidder shall submit only one bid per document and who submit more than one bid in a document will be disqualified and rejected.

#### 5. **COST OF BIDDING**

The bidder shall bear all costs associated with preparation and submission of his bid/bids, and the Employer will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

#### 6. **POSSIBLE SOURCES**

Sri Lanka Railways shall appoint an Inspector for the inspection of imports from the following regions:

1. U.S.A. and Canada
2. All European Countries
3. Asian/African Countries
4. Australia, New Zealand, Korea, Japan and China

## 7. **OFFERS FOR INSPECTION**

- 7.1 The offers for inspection shall be on percentage basis of the FOB (as per the selling rate prevailed on the opening date of particular tender as declared by Central Bank of Sri Lanka) of the order on the following financial limits.
- i) FOB value up to Sri Lanka Rupees 5,000,000.00
  - ii) FOB value between Sri Lanka Rupees 5,000,001.00 and Sri Lanka Rupees 10,000,000.00
  - iii) FOB value between Sri Lanka Rupees 10,000,001.00 and Sri Lanka Rupees 25,000,000.00
  - iv) FOB value between Sri Lanka Rupees 25,000,001.00 and Sri Lanka Rupees 50,000,000.00
  - v) FOB value between Sri Lanka Rupees 50,000,001.00 and Sri Lanka Rupees 75,000,000.00
  - vi) FOB value between Sri Lanka Rupees 75,000,001.00 and Sri Lanka Rupees 100,000,000.00
  - vii) FOB value between Sri Lanka Rupees 100,000,001.00 and Sri Lanka Rupees 150,000,000.00
  - viii) FOB value between Sri Lanka Rupees 150,000,001.00 and Sri Lanka Rupees 200,000,000.00
- 7.2 Prices shall be quoted as a percentage of the FOB prices of the articles and shall be quoted in different groups as shown in the Schedule of Rates of Inspection.
- 7.3 Rates quoted by the bidder shall be firm during the period of contract and any request to increase the rates will not be entertained.

### **(B) BIDDING DOCUMENTS**

## 8. **CONTENT OF BIDDING**

The bidding documents are those stated below:

1. Invitation for Bids – Procurement Notice
2. Instructions to Bidders (ITB)
3. General Conditions of Contract (GCC)
4. Special Conditions of Contract (SCC)
5. Form of Bid
6. Schedule of requirements and Price Schedule
7. Form of Bid Security
8. Form of Performance Security
9. List of Foreign Missions Abroad

(b) Bidders are requested to:

- (i) Submit the following documents with the required information, arranged in the given order:-
  1. Covering letter (if any)
  2. Bid Security – Clause 14 - Instructions to Bidders
  3. Power of Attorney (where applicable) – Clause 16 – Instructions to Bidders.
  4. Official Bidding Document – Clause 1 – Instructions to Bidders.

- i. Form of Bid – Duly perfected and signed.
  - ii. Schedule of Rates – Duly perfected and signed.
5. Documentary evidence in proof of Contractor's ability, capability, experience and past records of inspection performed on items described against Clause 1 – Scope of Bid under Special Condition of Contract & Clause 3 – Instruction to Bidders.
  6. ISO Certification awarded on provisions of pre-shipment inspection of items described against Clause 1 – Scope of Bid under Special Conditions of Contract. & Clause 3 – Instructions to Bidders
  7. Any other applicable document.
- (ii) All pages of the Bidding Document submitted should be numbered and indicate the page numbers appropriately in the Form of Bid.
  - (iii) The bid shall contain no interlineations, erasures or over-writing except as necessary to correct errors made by the Bidder, in which case, such corrections shall be initialed and authenticated by the person or persons signing the bid.
  - (iv) The bid prices/rates shall be in words as well as in figures, and if there is a discrepancy between those, the amounts written in words shall be taken as correct.
  - (v) Bidders should follow the above instructions on the bidding document carefully and any failure will result the bid being treated as non-responsive.

9. **CLARIFICATION OF BIDDING DOCUMENTS**

A prospective bidder requiring any clarification of the bidding documents may notify the General Manager, Railways in writing or by fax at the General Manager's address and the General Manager, Railways will respond to any request for clarification. Copies of the General Manager's response will be forwarded to all purchasers of the bidding documents, including a description of the inquiry, but without identifying its source. The request for clarification shall be submitted within the period stipulated in Clause 03 of SCC.

10. **AMENDMENT OF BIDDING DOCUMENTS**

At any time prior to the deadline for submission of bids, the General Manager, Sri Lanka Railways may amend the bidding documents by issuing an addendum. However, the closing date of bid will be extended accordingly, if necessary, so that a reasonable time period is given to revise the bids.

**(C) PREPARATION OF BIDS**

11. **LANGUAGE OF BID**

Bidding and all supporting documents and subsequent correspondence (if any) shall be in English Language.

12. **CURRENCIES OF BID**

Bidder shall quote the currency in which the payment is required.

13. **BID VALIDITY**

Bids shall remain valid for a period of **120 days** from the date of opening of bids.

14. **BID SECURITY**

- (a). The bidder shall furnish, as part of his bid, a bid security as specified in Clause 04 of Special Conditions of Contract (SCC).
- (b). The bid security shall be in the form of Bank guarantee from a registered Bank in Sri Lanka acceptable to the General Manager Sri Lanka Railway.
- (c). The format of the Bank guarantee shall be in accordance with the form of bid security included in Appendix "A".
- (d). Bid security shall remain valid for a period of **150 days** from the date of opening of bids. However, the bidder should agree to extend this period of validity if requested by the General Manager, Sri Lanka Railways.
- (e). Any bid not accompanied by an acceptable bid security, will be rejected by the General Manager, Sri Lanka Railway, as non-responsive. The bid security of a joint venture must be in the name of the joint venture submitting the bid.
- (f). The bid security may be forfeited:
  - (i) If a bidder withdraws his bid during the period of bid validity specified by the bidder on the bid form or,
  - (ii) In the case of successful bidder, if the bidder fails –
    - (1) to sign the contract in accordance with Clause 28 of Instructions to Bidders or
    - (2) to furnish the performance security in accordance with Clause 04 of General Conditions of Contract.
- (g). The bid securities of unsuccessful bidders will be returned as promptly as possible. The bid security of the successful bidder will be returned when the bidder furnished the required Performance Security.

15. **FORMAT AND SIGNING**

The bidder shall prepare one original set of the documents comprising the bid as described in Clause 8 of the Instructions to the Bidders and clearly marked "ORIGINAL". In addition, the bidder shall submit a further copy of the bid clearly marked "COPY". In the event of discrepancy between them, the original shall prevail. All bids are to be completed and returned to the Employer in accordance with the instructions and conditions attached hereto.

16. **AGENT TO HOLD POWER OF ATTORNEY**

Offers from agents representing principal bidders, will not be considered, unless they hold the power of Attorney from the principal empowering the agent to offer on their behalf, to enter into a valid agreement on behalf of the principals, and to fulfill all the terms and conditions of contract, in the event of the offer being awarded. The Power of Attorney should have been attested by a registered Attorney at law.

Nomination of agent/s after the bid has been submitted will not be accepted. Local Agent nominated at the time of bidding shall not be changed within the period of Contract.

17. **SEALING AND MARKING**

- (1) The bidder shall seal the original and the copies of the bid in two separate envelopes, duly marking as “ORIGINAL” and “COPY”.

Envelopes containing both original and the copies shall be sealed in one outer envelope.

- (2) The inner and outer envelopes shall –

- (a) Be addressed to the Chairman, Department Procurement Committee (Major), Sri Lanka Railways, as provided in Clause 2 of the Instructions to Bidders.

- (b) Bear the name of the Contract as defined in the bidding documents and other particulars.

In addition to the identification required in Sub-Clause 17(2) (b), the inner envelopes shall indicate the name and address of the bidders to enable the bid to be returned unopened in case it is declared late, pursuant to Clause 19.

If the outer envelope is not sealed and marked as above, the General Manager Sri Lanka railways will assume no responsibility for the misplacement or premature opening of the bid.

- (c) Provide a warning not to open before the time and date for bid opening.

18. **DEADLINE FOR SUBMISSION OF BIDS**

Bids must be received by the Chairman of the Procurement Committee (Major), Sri Lanka Railways at the address specified in Clause 2 of SCC in the bidding documents not later than the time and date stipulated therein.

The General Manager Sri Lanka Railways may, in exceptional circumstances and at his discretion, with the approval of the Department Procurement Committee (Major), extend the deadline for submission of bids by issuing an addendum, in which case all rights and obligations of the General Manager Sri Lanka Railways and the bidders previously subject to the original deadline will thereafter be subject to the deadline as extended.

19. **LATE BIDS**

Any bid received after the deadline for submission of bids, for any reason, will be returned unopened to the bidder.

20. **MODIFICATION, SUBSTITUTION AND WITHDRAWAL**

The bidder may modify, substitute or withdraw his bid after submission, provided that written notice of the modification; substitution or withdrawal is received by the General Manager Sri Lanka Railways prior to the deadline for submission of bids.

The bidder's modifications, substitution, or withdrawal notice shall be prepared, sealed, marked, and delivered in accordance with the provisions of Clause 17 of Instruction to bidders, with the outer and inner envelopes additionally marked 'MODIFICATION', 'WITHDRAWAL' or 'SUBSTITUTION' as appropriate. No bid may be modified by the bidder after the deadline for submission of bids.

**(D) BID OPENING AND EVALUATION**

21. **BID OPENING**

The bid opening committee will open the bids, including withdrawals; substitutions and modifications, in the presence of bidders' designated representatives who chose to attend. The bidders' representatives who are present shall sign a register evidencing their attendance. Envelopes marked 'WITHDRAWAL' and 'SUBSTITUTION' shall be opened first, and the name of the bidder shall be read out. Bids for which an acceptable notice of withdrawal has been submitted shall not be opened. The bidders' name, the bid prices, including any alternative bid price or deviation, any discounts, bid modifications and withdrawals, the presence (or absence) of bid security, and such other details as the General Manager Sri Lanka Railways may consider appropriate, will be read-out at the opening. Subsequently, all envelopes marked 'MODIFICATION' shall be opened and the submission therein read out in appropriate detail. No bid shall be rejected at bid opening except for late bids.

22. **CLARIFICATION OF BIDS**

To assist in the examination, evaluation, and comparison of bids, the General Manager Sri Lanka Railways may, at his discretion, with the approval of the Department Procurement Committee (Major), ask any bidder for clarifications of his bid including breakdowns and unit rates. The request for clarifications, and the response shall be in writing or by fax, but no change in the price or substance of the bid shall be sought, offered, or permitted, except as required to confirm the correction of arithmetic errors discovered by the General Manager Sri Lanka Railways in the evaluation of the bids.

23. **EXAMINATION OF BIDS AND DETERMINATION OF RESPONSIVENESS**

Prior to the detailed evaluation of bids, the General Manager Sri Lanka Railways will determine whether each bid (a) meets the eligibility criteria stipulated in the bid documents; (b) has been properly signed; (c) is accompanied by the required securities; (d) is substantially responsive to the requirements of the bidding documents; (e) provide any clarification and/or substantiation that the purchaser may require to determine responsiveness.

24. **CORRECTION OF ERRORS**

Bids determined to be substantially responsive will be checked for any arithmetic errors and will be corrected.

25. **EVALUATION AND COMPARISON OF BIDS**

Only the bids determined to be substantially responsive will be evaluated and compared.

The evaluation shall be based on weighted average of each category of procurement calculated using historical data available at SRS, Sri Lanka Railways for minimum cost to SLR.

All bid prices expressed in foreign currencies shall be converted in to Sri Lankan Rupees using the selling rates prevailed on the date of opening of bids as published by the Central Bank of Sri Lanka.

26. **EMPLOYER' S RIGHT TO ACCEPT ANY BID AND TO REJECT ANY OR ALL BIDS**

The General Manager Sri Lanka Railways reserves the right to accept or reject any bid or to accept part thereof, and to annul the bidding process and reject all bids at any time prior to award of contract without thereby incurring any liability to the affected bidder or bidders or any obligation to inform the affected bidder or bidders of the grounds for the Employer's action.

27. **NOTIFICATION OF AWARD**

Prior to expiration of bid validity, the Employer will notify the successful bidder(s) by fax, confirmed by registered letter, that his bid has been accepted. This letter shall specify the sum, which the Employer will pay the supplier in consideration of the execution and completion of the works and the remedying of any defects therein by the contractor as prescribed by the contract.

28. **SIGNING OF AGREEMENT**

After the notification of award, the Employer will send the bidder a copy of the draft agreement incorporating all agreements between the parties. Within 21 (twenty-one) days of receipt of agreement, the successful bidder shall sign the agreement.

All expenses incurred in the preparation of the agreement will be borne by the Sri Lanka Railways and Stamp Duty to be paid to the Commissioner General of Inland Revenue and Registration Fees to register the contract under the Public Contract Act No. 3 of 1987 shall be borne by the successful bidder.



## **GENERAL CONDITIONS OF CONTRACT (GCC)**

### **1. DEFINITIONS**

In this bid, the following terms shall be interpreted as indicated:

- (a) 'The Contract' means the agreement entered into between the Employer and the Contractor, including all attachments and appendices thereto and all documents incorporated by reference therein.
- (b) 'The Contract Price' means the price payable to the Contractor under the Contract for the full and proper performance of its contractual obligations.
- (c) 'The Goods' means the materials which the inspector is required to inspect as required by the Employer.
- (d) 'The Service' means those inspections performed on items imported by Sri Lanka Railways.
- (e) "ITB" means Instructions of Bidders.
- (f) 'GCC' means the General Conditions of Contract contained in this section.
- (g) 'SCC' means the Special Conditions of Contract.
- (h) 'The Employer' means the General Manager of Sri Lanka Railways, Democratic Socialist Republic of Sri Lanka.
- (i) 'The Inspector' means the firm, which provides the inspection services.
- (j) 'Day' means calendar day.
- (k) 'Month' means calendar month.

### **2. CONTRACT PERIOD**

The contractor shall provide service for a period of two years from the date of a contract agreement singe.

### **3. USE OF CONTRACT DOCUMENTS AND INFORMATION**

- 3.1 The Inspector shall not, without the Employer's prior written consent, disclose the Contract, or any provision thereof, or any specification, plan, drawing, pattern sample, or information furnished by or on behalf of the Employer in connection therewith, to any person other than a person employed person by the employed in the performance of the Contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

3.2 The Supplier shall not without the Employer's prior written consent, make use of any document or information enumerated in GCC Clause 5.1 except for purposes of performing the Contract.

3.3 Any document other than the Contract itself, enumerated in GCC Clause 5.1 shall remain the property of the Employer and shall be returned (in all copies) to the Employer on completion of the Supplier's performance under the Contract if so, required by the Employer.

#### 4. **PERFORMANCE SECURITY**

4.1 Within twenty-one (21) days of receipt of the Notification of Award of the Contract, the successful Bidder shall furnish to the Employer the performance security in the amount specified in Clause 05 of SCC as a security for the due performance of the contract.

4.2 The proceeds of the performance security shall be payable to the Employer as compensation for any loss resulting from the supplier's failure to complete his/their obligations under the Contract.

4.3 The performance security shall be in Sri Lanka Rupees and shall be in the form of a guarantee, issued by a registered bank operating in Democratic Socialist Republic of Sri Lanka acceptable to the Employer, in the form provided in Appendix "B" of the bidding documents.

4.4 The performance security will be discharged by the Employer and returned to the supplier on successful completion of the Supplier's performance obligations under the Contract, including any warranty obligations, unless specified otherwise in SCC.

#### 5. **PAYMENT**

5.1 The method and conditions of payment to be made to the supplier under this Contract shall be specified in Clause 06 of SCC.

5.2 The inspector's request(s) for payments shall be made to the Employer in writing accompanied by an invoice describing as appropriate, and services performed, and upon fulfillment of other obligations stipulated in the contract.

5.3 Payment will be made in the currency or currencies in which the payment has been requested in the Inspector's bid.

#### 6. **PRICES/RATES**

Prices charged by the Inspector for services performed under the Contract shall not vary from the prices quoted by the Inspector in his bid.

#### 7. **ASSIGNMENT**

The Inspector shall not assign, in whole or in part, his obligations to perform under this contract.

8. **INSPECTION NET WORK**

The Inspector shall notify the names and address, telephone/fax numbers etc. of the officers who will attend to the inspection work in each country under this contract, if not already mentioned in the bid. Such notification, in the original bid or later, shall not relieve the Inspector from any liability or obligation under the contract.

9. **DEFAULT**

Should the successful inspection agency decline or fail to respond to written request made by the Employer within the period in which the contract is in force, the Government of the Democratic Socialist Republic of Sri Lanka will have the right to recover from him the amount of damages sustained by the Democratic Socialist Republic of Sri Lanka, and the defaulting Inspector will render himself liable to be included in the list of defaulting contractors precluded from having any concern in a government contract.

10. **DELAY IN THE CONTRACTOR'S PERFORMANCE OF THE SERVICES**

10.1 The contractor shall perform the services in accordance with the schedule specified by the employer for each single order.

10.2 If at any time during the performance of the services, the contractor should encounter conditions impeding the timely performance of services, the contractor shall promptly notify the employer in writing of the delay, its likely duration, and its cause (s). After receipt of the contractor's notice, as soon as practicable, the employer shall evaluate the situation and may at his discretion extend the contractor's time for performance of service with or without liquidated damages.

11. **LIQUIDATED DAMAGES.**

Subject to GCC Clause 10.1 if the contractor fails to perform the services within the period(s) specified in the contract, the employer shall, without prejudice to other remedies under the Contract, Deduct from the contract price as liquidated damages, a sum equivalent to the percentage in SCC of unperformed services for each week or part thereof for delay until actual performance, up to a maximum deduction of the percentage specified in SCC. Once the maximum is reached, the purchaser may consider termination of the contract pursuant to GCC Clause 13.

11. **FORCE MAJEURE**

12.1 The Inspector shall not be liable for forfeiture of his performance security, or termination for default if his delay in performance to an extent or other failure to perform his obligation under the contract is the result of an event of force Majeure.

12.2 for purpose of this clause " Force Majeure" means an event beyond the control of the contractor and not involving the Inspector's fault or negligence and not foreseeable. Such event include, but are not restricted to acts of God, Wars, Revolutions, Fires, Blockage, Embargo, Insurrection, Mobilization, Governmental Direction or Government Riots, Civil Commotions, War like Conditions, Labour Troubles (including Strikes), Sabotage Epidemics, quarantine Restrictions and Freight Embargoes.

- 12.3 If a force Majeure situation arises, the contractor shall promptly notify the GMR in writing of such condition and the cause thereof. Unless otherwise directed by the GMR in writing, the inspector shall continue to perform his obligations under the Contract as far as is reasonably practicable and shall seek all reasonable alternative means for performance not prevented by the force Majeure event.

13. **TERMINATION FOR INSOLVENCY**

The Employer may at any time terminate contract by giving written notice to the inspector if the inspector become bankrupt or otherwise insolvent, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the GMR. In this event termination will be without compensation to the inspector

14. **TERMINATION FOR CONVENIENCE**

The Employer, by written notice sent to the Inspector, may terminate the Contract in whole or in part, at any time for his convenience. The notice of termination shall specify that termination is for the GMR's convenience, the extent to which the performance of the Inspector under the Contract is terminated, and the date upon which such termination becomes effective.

15. **RESOLUTION OF DISPUTES**

The GMR and the Inspector 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. However, if such disputes cannot be settled, they shall be referred to arbitration.

a. The arbitral tribunal shall comprise three arbitrators appointed as follows: -

- i) Any party to this agreement desiring to refer such disputes to arbitration shall send a notice nominating an arbitrator, to the other party.
- ii) Within 30 days of receiving a notice of the nomination of an arbitrator by a party the other party or parties shall appoint an arbitrator and the two arbitrators so nominated shall appoint a third arbitrator who shall function as Chairman of the Arbitral Tribunal.
- iii) If either party fails to nominate an arbitrator within 30 days of receiving notice of the nomination of an arbitrator by the other party, such other party may apply to the High Court in terms of the Arbitration Act No.11 of 1995 for the appointment of the Arbitrator.
- iv) If the two arbitrators nominated by the parties fail to agree upon, a third arbitrator within 30 days of the nomination of the second arbitrator, the appointment shall be made upon the application of a party by the High Court.

- v) In the event of a vacancy arising due to the death, resignation or refusal to act of an Arbitrator, or where an arbitrator becomes incapable of performing his functions, another arbitrator shall be appointed in like manner to fill such vacancy.
- b. Such arbitration shall be held in Colombo, Sri Lanka and shall be subject to the provisions of the Arbitration Act No.11 of 1995.
- c. The procedure to be followed at such arbitral proceeding shall be agreed upon by the parties or, in the absence of such agreement, shall be determined by the Arbitral Tribunal.
- d. In the event of a failure by either party to comply with procedure or any procedural order made by the Arbitral Tribunal, the Arbitral Tribunal shall have the power to proceed with the arbitration notwithstanding such default and to deliver its award.
- e. The award or any procedural order of the Arbitral Tribunal shall be made by a majority of the arbitrators and in the absence of such majority the presiding arbitrator shall make award as if he were a sole arbitrator.

16. **GOVERNING LANGUAGE**

The Contract shall be written in English Language. All correspondence and other documents pertaining to the contract, which are exchanged by the parties, shall be written in the same language.

17. **APPLICABLE LAW**

The contract resulting therefrom shall be governed by and construed according to law of Democratic Socialist Republic of Sri Lanka.

18. **NOTICES**

18.1 Any notice given by one party to the other pursuant to this Contract shall be sent to the other party in writing or by Cable, or Facsimile and confirmed in writing to the other party's address specified in SCC Clause 8.

18.2 A notice shall be effective when delivered or on the notice's effective date whichever is later.

### **SPECIAL CONDITIONS OF CONTRACT (SCC)**

The following Special Conditions of Contract shall supplement the General Conditions of Contract. Whenever there is a conflict, the provisions herein shall prevail over those in the General Conditions of Contract.

#### **01. SCOPE OF BID**

- 1.1 Sri Lanka Railways will appoint, a suitable Inspector on a **two years contract basis** for the inspection of all the items. Materials, spare parts, Machines, products and etc. to be purchased by Sri Lanka Railways
- 1.2 The Scope of Inspection will be provided to the appointed Inspector with each order for inspection.
- 1.3 The Inspector shall accept full responsibility for the correctness of the items supplied on each purchase order on which the Inspection was performed, according to the specification, drawings or any other literature supplied. He should issue certificate of compliance together with separate, independent inspection report on the supplies inspected by him.
- 1.4 The Inspector shall ensure that all necessary tests, analysis, calibration and gauging as deemed necessary are carried out as applicable to the subject material or equipment or parts or components offered for export to Sri Lanka Railways before issuing the certificate of compliance/non-compliance. He should also ensure that the inspected goods or batches of goods are sent forward for shipment to Sri Lanka only after the approvals of the Sri Lanka Railway authorities are obtained on the acceptance of Inspection Certificates thus issued.
- 1.5 The Inspector shall have themselves certified under ISO **9001:2008** series to undertake inspection of this nature.
- 1.6 **The Inspectors should provide their certificate within 07 days of the inspection.**
- 1.7 Inspection report should be certified by the original Inspection Authority.
- 1.8 The Inspector should provide the names and addresses of all the regional international branches of their organizations, which undertakes inspection work in different regions worldwide.
- 1.9 SLR reserves the right to decide whether to use the inspector awarded under this contract to inspect a particular supply at its discretion.
- 1.10 Persons with highest qualifications and experience only shall be employed to carry out inspection. The bio-data of the inspector shall be submitted along with the offer for each inspection for approval of SLR.
- 1.11 Inspector should give the assurance for the quantity of the purchased items where inspection gives on sample or pollution basis a penalty is liable.

#### **02. ISSUE OF DOCUMENTS CLOSING TIME OF BIDS (INSTRUCTIONS TO BIDDERS CLAUSE 1 & 2)**

- a) Bidding document shall be issued from the Office of the Deputy General Manager (Procurement), Olcott Mawatha, Colombo 10, Sri Lanka or from the Sri Lanka Missions abroad specified in Appendix "C" up to 3.00 p.m. (Sri Lanka time) on **18.09.2023** on payment of a non-refundable document fee of Rs. **3500/** or an equivalent sum in a freely convertible currency.

- b) Bid forms shall not be issued to persons whose name is in the list of Government Defaulting Contractors, individually or jointly with any other person.
- c) Bids sealed in accordance with Clause 17 under Instructions to Bidders, shall be addressed to the following address:

The Chairman,  
 Department Procurement Committee (Major),  
 Sri Lanka Railways,  
 Office of the Deputy General Manager (Procurement),  
 Olcott Mawatha,  
 Colombo 10, Sri Lanka.

- d) Bids shall be closed at 2.00 p.m. (Sri Lanka Time) on **19.09.2023** at the Office of the Deputy General Manager (Procurement), Sri Lanka Railways, Olcott Mawatha, Colombo 10, Sri Lanka and shall be opened immediately after closing of Bids.

03. **CLARIFICATIONS (CLAUSE 09 UNDER INSTRUCTION TO BIDDERS)**

All requests for clarifications shall be submitted earlier than 20 days prior to the deadline for submission of bids.

04. **BID SECURITY (CLAUSE 14 UNDER INSTRUCTION TO BIDDERS)**

The amount of Bid Security shall be **US\$ 2,000.00** or equivalent amount in freely convertible currency.

05. **PERFORMANCE SECURITY (CLAUSE 4 UNDER GCC)**

The amount of Performance Security will be **US\$ 15,000.00** or equivalent to any other convertible currency. Performance Security shall be released on successful completion of the contract period.

06. **PAYMENT (GCC CLAUSE – 5)**

6.1 Payments for Inspection will be effected after receipt of goods in Sri Lanka, in conformity with the Inspection Certificate approved by SLR or in the event of total rejection of goods, after receipt and acceptance of inspection reports by SLR.

6.2 Payment will be made only for the Inspection carried out on written requests made by the General Manager, Sri Lanka Railways or office of Deputy General Manager (Procurement) and any request by telex/fax, cable or telephone shall be confirmed in writing. A letter of appointment will be issued in respect of each single order.

6.3 In case of any currency conversion to be taken place and the payments, selling rates declared by the Central Bank of Sri Lanka on the date of opening of the particular procurement shall be adopted.

6.4 In case of payment not to be made to inspector by LKR the applicable rates declared by the C/B of Sri Lanka on the date of inspection report accepted by SLR.

07. **LIQUIDATED DAMAGES (GCCCLAUSE 11)**

Applicable rate is half percent (0.5%) per week, and the maximum deduction under this clause shall Be five percent (5%) of the Contract Value awarded.

08. **NOTICES (GCC CLAUSE – 18)**

GMR's address for notice purposes is as follows:-

General Manager,  
Sri Lanka Railways,  
Railway Headquarters,  
Olcott Mawatha,  
Colombo 10, Sri Lanka.

09. **LOCAL AGENT**

The Inspector shall declare the name and address of Local Agent, if any, and the amount to be paid to the Local Agent as their commission. The Inspector shall clearly state whether the Local Agent's commission is included in the price or not.

Bidder shall furnish the certificate or registration from the Registrar of public contracts Sri Lanka of their L/A if applicable.

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**FORM OF BID**

The Chairman,  
 Department Procurement Committee (Major),  
 Sri Lanka Railways,  
 Railway Headquarters,  
 Olcott Mawatha,  
 Colombo 10, Sri Lanka.

**PROCUREMENT FOR THE APPOINTMENT OF INSPECTORS FOR THE  
 INSPECTION OF IMPORTS TO SRI LANKA RAILWAYS**

**PROCUREMENT No. SRS/F.7859**

I/We, the undersigned, having read and fully acquainted myself/ourselves with the contents of the "Information and Instructions to Bidders and Terms and Conditions of Bid" pertaining to the above Bid, along with Schedules thereto, do hereby undertake to attend the inspection service of all the items referred to therein, in accordance with the aforesaid Instructions, Terms and Conditions for a total bid price of Rupees..... (in figures)

.....(in words). The makeup of the aforesaid total bid price is given in the accompanying schedules of requirements/ price schedule.

2. I/We confirm that this offer shall open for acceptance for 120 days/.....days(***If not agree for 120 day, insert the date until which the bid is valid***) from the date of bid opening 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:

	<u>Page Nos.</u>
(a) Covering letter (if any)	.....
(b) Official Bidding Document (ITB Clause 01)	
i). Form of Bid – Duly completed and signed	.....
ii). Schedule of Rates – Duly completed and signed	.....
(c) Price Schedule	.....
(d) Documentary evidence to establish eligibility to bid with experience	.....
(e) Declaration regarding Local Agent and Local Agent's commission.	.....
(f) Documentary evidence to establish my/our eligibility to perform such services offered with the past records of inspecting railway items	.....
(g) Bid Bond	.....
(h) Documentary evidence to establish qualifications of the persons to be employed to perform the contract with their Bio-data.	.....
(i) ISO Certification	.....
(ii) Any other applicable document	.....

- 4. I/We, understand that you are not bound to accept the highest bid and that you reserve the right to reject any or all bids or to accept any part of a bid without assigning any reasons therefor.
- 5. My/Our Bank reference is as follows:.....

Date:.....

.....  
Signature of Bidder

Note: All the documents or photocopies submitted shall be legible and clear. If the documents are not clear or illegible, the Technical Evaluation Committee may consider the bid as non-responsive.

Name of Bidder : .....

Postal Address : .....  
.....

E-mail Address : .....

Telephone Number : .....

Fax Number : .....

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**19**  
**SCHEDULE OF RATES**

**PROCUREMENT FOR THE APPOINTMENT OF INSPECTORS FOR INSPECTION OF IMPORTS TO**  
**SRI LANKA RAILWAYS SCHEDULE OF RATES -PROCUREMENT No. SRS/F.7859**

Region	Cost of Inspection								Remarks
	FOB Value of goods up to Rs. 5,000,000.00	FOB Value of goods Rs. 5,000,001.00 to Rs.10,000,000.00	FOB Value of goods Rs. 10,000,001.00 to Rs. 25,000,000.00	FOB Value of goods Rs. 25,000,001.00 to Rs. 50,000,000.00	FOB Value of goods Rs. 50,000,001.00 to Rs. 75,000,000.00	FOB Value of goods Rs. 75,000,001.00 to Rs. 100,000,000.00	FOB Value of goods Rs. 100,000,001.00 to Rs. 150,000,000.00	FOB Value of goods Rs. 150,000,001.00 to Rs. 200,000,000.00	
U.S.A. / Canada									
All European Countries									
Asian / African Countries									
Australia, New Zealand, Korea, Japan, China									
Percentage of Local Agent's Commission									

Local Agent's Commission is included / not included in the above prices.

Date: .....

.....  
Bidder's Signature

**SPECIMEN FORM OF BID GUARANTEE**

..... { 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 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, Bid must be supported by a Bid Guarantee.

At the request of the Bidder, 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} 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 the Instructions to Bidders (hereinafter "the ITB") clause 24 of the ITB; 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 Security Bond, 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)}

**SPECIMEN FORM OF SECURITY BOND**

..... {Issuing Agency's name, and address of Issuing Branch or Office}.....

**Beneficiary:**.....{name and Address of Employer}.....

**Date:**.....

**SECURITY BOND 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 " Execution"/"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 security bond 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)}

## CONTRACT AGREEMENT

### PROCUREMENT FOR THE APPOINTMENT OF INSPECTORS FOR

### INSPECTION OF IMPORTS TO SRI LANKA RAILWAYS

#### AGREEMENT NO.: SRS/F.7859

This Agreement is made and entered into at Colombo on this ..... day of .....(month) Two Thousand ..... by and between ..... the General Manager of Sri Lanka Railways, P.O. Box 355, Colombo, Sri Lanka, (hereinafter called and referred to as "The Seller", which term or expression as herein used shall as and where the context so requires or admits of construction, mean and include the said .....the General Manager of Sri Lanka Railways, as aforesaid and his successors in the said office for the time being and the officers, who for the time being are acting in the office of or are performing the functions now exercised by the General Manager herein for and on behalf of the Government of the Democratic Socialist Republic of Sri Lanka of the ONE PART and .....,(name of the company or person),(a company duly incorporated under the Laws of ..... ) and having its principal place of business at ..... (hereinafter called and referred to as "The Inspector"), which term of expression as herein used as and where the context so requires or admits of construction mean and include the said .....( the inspector), its successors and permitted assigns, of the OTHER PART.

WHEREAS the Chairman, Department Procurement Committee (Major) has invited bids for Inspection of imports to Sri Lanka Railways. More fully described in the schedule of Rates (annexed hereto marked X-1) and Department Procurement Committee (Major) has accepted offer No. .... dated ..... submitted by the Inspector at a total cost of ..... only (hereinafter called the "Contract Price").

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS: -

1. The words and expressions hereinafter referred to shall have the meaning assigned to them in the General Conditions of Contract and Special Conditions of Contract of the Bidding Document, which are part and parcel of this agreement.
2. The following documents shall be deemed to form, be read with and construed as part and parcel of this agreement:
  - (a) The bidding document, which consists of General Conditions of Contract, Special Conditions of Contract, Instructions to Bidders, Bill of Quantity/ Price Schedule, (annexed hereto marked X-2).
  - (b) Offer dated ..... submitted by the buyer (annexed hereto marked X-3).
  - (c) The Letter of award sent by the General Manager to the Inspector bearing No. SRS/F..... dated ..... (annexed hereto marked X-4).

(d) The Inspector's acknowledgement dated ..... to the letter of award aforesaid (annexed hereto marked X-5).

- 3. The Inspector shall provide the services in conformity in all respects with provisions of the contract more fully described in the General Conditions of Contract, Special Conditions of Contract and Instruction to bidder aforesaid, in consideration of the payments to be made by the General Manager to the Inspector hereinafter mentioned.
- 4. During the contract period, if there inspection reports are found incorrect or any lapses on the inspection, action will be taken to terminate the contract and forfeit the security Bond.
- 5. The General Manager shall pay the Inspector the contract price at the times and in the manner described by the aforesaid Conditions of the Contract in consideration of the services provided.
- 6. This agreement shall come into operation only upon the furnishing of the security Bond by the Inspector and signing of this contract by both parties.
- 7. All notices and/or communications to be served by either party to this contract shall be served at the following addresses:

**Seller's Address:**

The General Manager,  
Sri Lanka Railways,  
Railway Headquarters,  
Olcott Mawatha,  
Colombo 10, Sri Lanka.

Telephone No.: 094 011 2431177

Fax No.: 094 011 2446490

E-mail: srs.slr@gmail.com

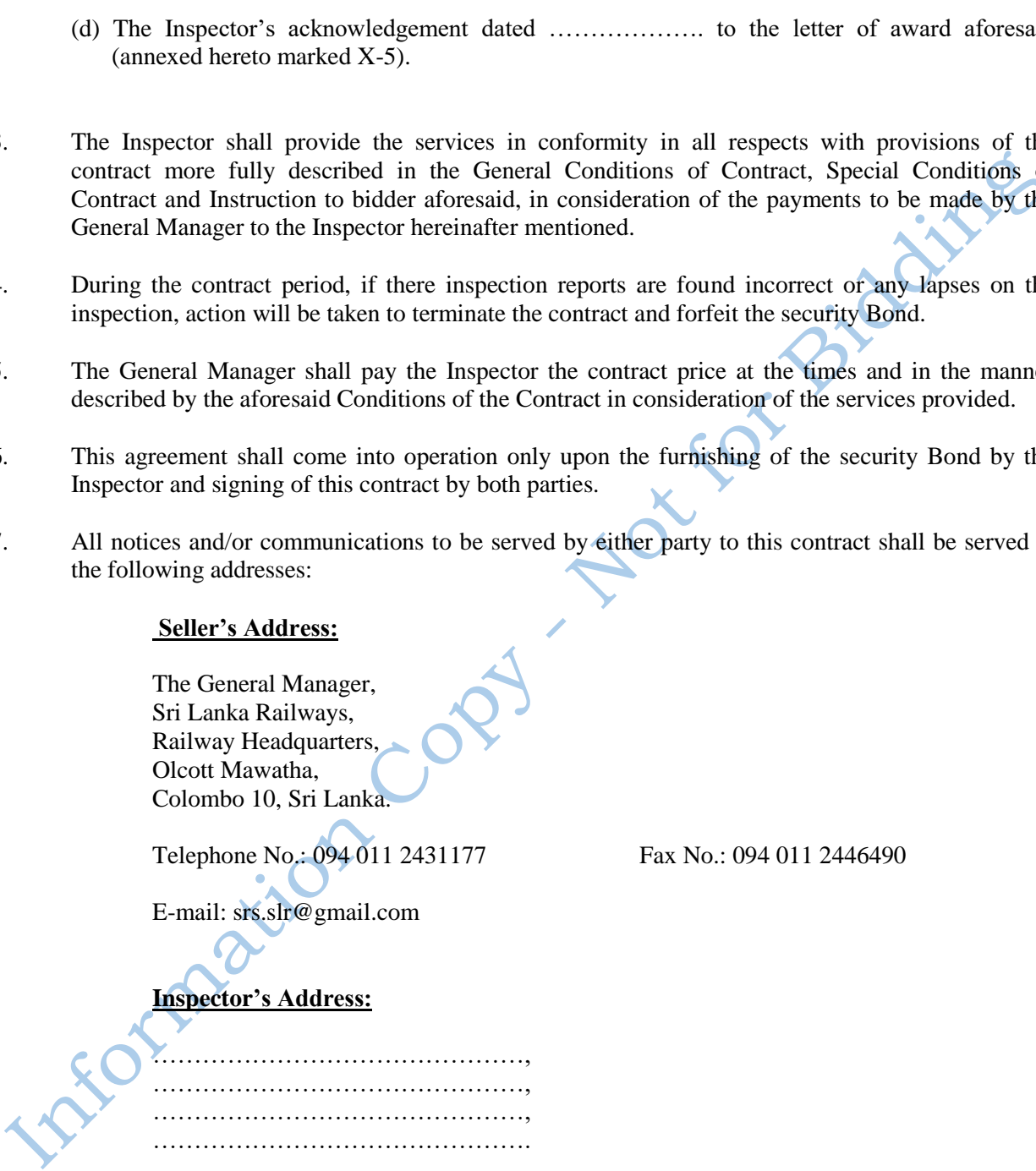
**Inspector's Address:**

.....,  
.....,  
.....,  
.....

Telephone No.: .....,

Fax No.: .....,

E-mail: .....



IN WITNESS WHEREOF the General Manager acting herein for and on behalf of the Government of Democratic Socialist Republic of Sri Lanka has set his hand and the Inspector has caused its Common Seal to be affixed hereunto and to others of the same tenor and date as these present on the dates and at the place hereinafter mentioned.

At Colombo, Sri Lanka on this ..... day of ..... Two Thousand .....

.....  
On behalf of

.....  
The General Manager,  
Sri Lanka Railways,  
for and on behalf of the Government  
Democratic Socialist Republic of Sri Lanka

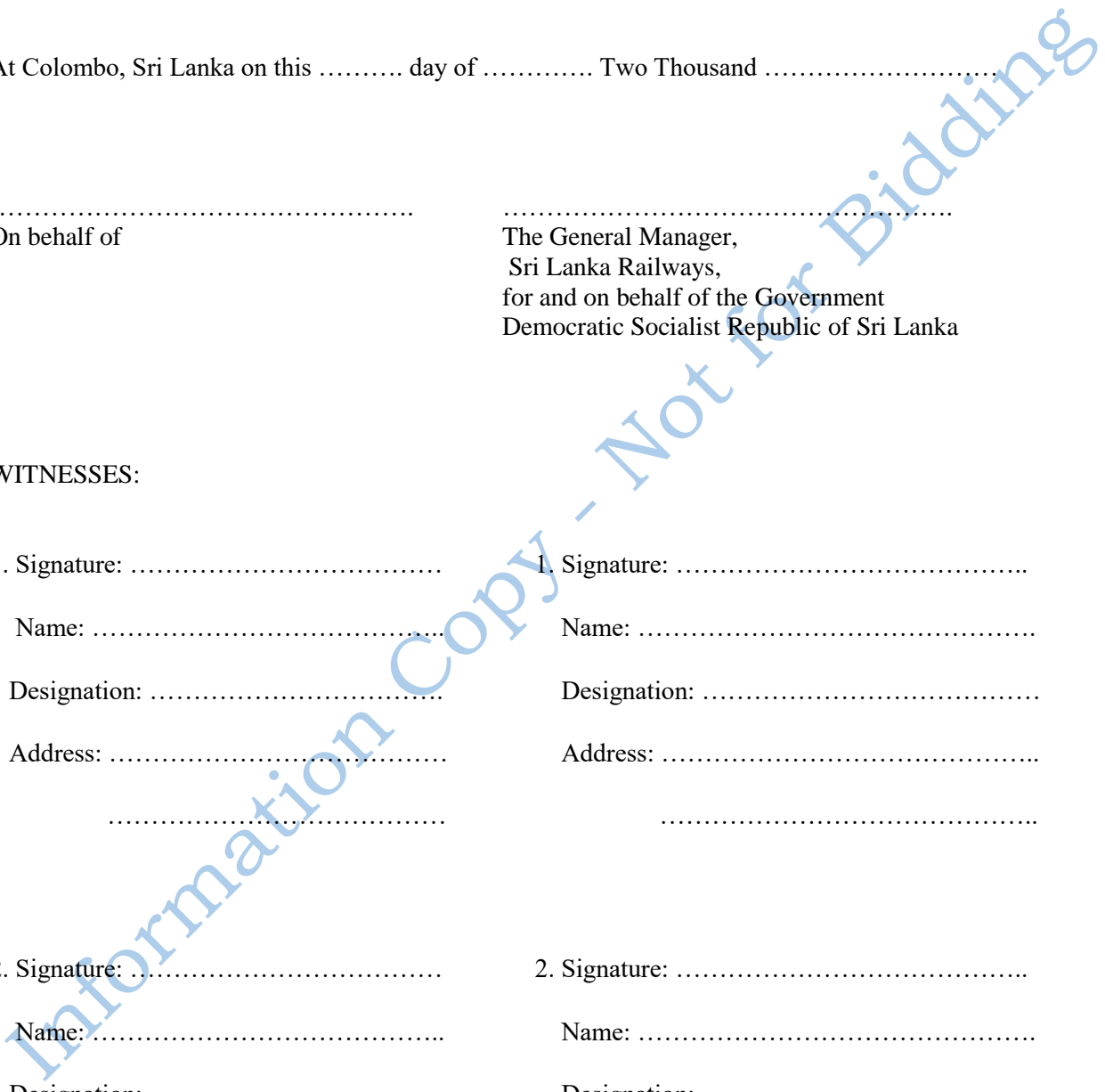
WITNESSES:

1. Signature: .....  
Name: .....  
Designation: .....  
Address: .....  
.....

1. Signature: .....  
Name: .....  
Designation: .....  
Address: .....  
.....

2. Signature: .....  
Name: .....  
Designation: .....  
Address: .....  
.....

2. Signature: .....  
Name: .....  
Designation: .....  
Address: .....  
.....





**THE LIST OF FOREIGN MISSIONS ABROAD**

1. The Ambassador for the Democratic Socialist Republic of Sri Lanka in Austria, Belgium, People's Republic of China, Cuba, Egypt, France, Federal Republic of Germany, Indonesia, Iran, Iraq, Italy, State of Israel, Japan, Jordan, Republic of Korea, State of Kuwait, Lebanon, Myanmar, Nepal, The Netherlands, Sultanate of Oman, The Philippines, Poland, State of Qatar, Russian Federation, Thailand, U.A.E., Sweden and Kingdom of Saudi Arabia.
2. The High Commissioner for the Democratic Socialist Republic of Sri Lanka in Australia, Bangladesh, Canada, India, Kenya, Malaysia, Republic of Maldives, Pakistan, Singapore, South Africa and United Kingdom.
3. The Consulate General of the Democratic Socialist Republic of Sri Lanka in Federal Republic of Germany, Norway and India.
4. The Deputy High Commissioner for the Democratic Socialist Republic of Sri Lanka in Chennai.

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