



**MINISTRY OF TRADE, CONSUMER AFFAIRS AND
COOPERATIVE DEVELOPMENT AND CHRISTIAN AFFAIRS**

LANKA SATHOSA LTD

STANDERD BIDDING DOCUMENT

SUPPLY OF PROVISION RATION ITEMS TO THE

LANKA SATHOSA LTD

FOR THE YEAR 2019

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INVITATION FOR BIDS

SUPPLY OF PROVISIONAL RATION ITEMS – LOCALLY

Date: /./2019

Dear Sir\Madam,

Supply of Provision Items – Locally

Tender Reference : Q/PRO/P/18/054
Date of Closing : .../.../2019
Time of Closing : 11. 30hrs
Tender Box No : 10

The Chairman Ministry Procurement Committee (MPC)/Department Procurement Committee (DPC) on behalf of the Lanka Sathosa Ltd. invites sealed Bids for the supply of the items given below. Please deposit your sealed offers/bids in the Tender box kept **at Lanka Sathosa Chairman's office 5th Floor CWE Secretariat Building, No 27, Vauxhall Street Colombo 02.**and the **samples of 1Kg.of each items should be forwarded separately.** Late and Fax offers will not be considered. The offers/bids will be opened at the indicated closing time by the Bid Opening Committee and you are invited to send your representative to be present at the above.

- i. Prices should be valid for 48 hrs. From the time of closing, and goods should be delivered within 7 days after confirmation. Failure to deliver after confirmation will cause the Supplier to be black listed at the discretion of the Procurement Committee.
- ii. Terms & Conditions of the supply should be indicated in the offer/bid.
- iii. After awarding the offer/bid, successful Suppliers should supply Total quantity in full or in installment (as per buyer's option) but failure to supply, the supplier will have to pay a penalty as stated below.

Penalty Clause: - The seller should take every endeavor to ensure the delivery of total order quantity in right quality as per the approved sample within the specified period as mentioned in the purchase order issued by Lanka Sathosa. In the event of failure to deliver the order quantity in time the following will be followed

1. Issue warning letter in order to rectify the situation from the next delivery cycle
 2. If the situation continuous the seller is subjected to a penalty of not exceeding 10% of the total value of undelivered quantity from the next delivery onwards. The tender committee reserves the right to remove the name of the default seller from the list of suppliers without prejudice to any other remedy to procure the requirements of Lanka Sathosa.
- iv. Lanka Sathosa will charge 1% of invoice value from the sellers as logistic cost and amount will be deducted from the invoice at the time of settling the bills.
 - v. **Price should be quoted in figures and in word for net weight.**

- vi. Bid shall remain valid 48 hrs from the time of closing of the Bids. In the event of the Bidder withdraw the Bid within the Bid validity period, the Procurement Committee reserve the right to remove the name of the Bidder from the registered suppliers list of the purchase or Bidder agree to pay a sum not exceeding 1% of the total value of the Bid in the form of a cash Cheque price should be quoted for net weight.
- vii. Payment Terms: to be specified in the offer/bid.
- viii. Any Inquires on your quotation, will not be accepted after 14 days from the data of closed.
- ix. All Other terms and Conditions as per the Contract signed by the Suppliers at the time of registration of Suppliers for the year 2019.
- x. Items to be supplied and the quoted prices should be submitted in accordance of the below mentioned price schedule.

Item	Oder Qty	Supply Qty	Unit Price	Item	Oder Qty	Supply Qty	Unit Price
Total							

Note :-

1. All offers/bids without samples will be rejected.
2. One price should be quoted for one Item.
3. Suppliers are informed that item will be purchased either local or imported at the discretion of Procurement Committee.
4. Offers should be mentioned country of origin and variety of the product.
5. Rice in 5kgs bags/Canned Fish will be purchased only the popular brands requested by the outlets.
6. No refer containers are allowed to deliver cargo to the warehouse.

The Ministry Procurement Committee/ Department Procurement Committee reserves the right to reject any or all Bids/Offer and the right to accept a part of the offer. In such instance the successful Bidder should be prepared to accept and execute a part of the offer at the quoted rate.

Yours Faithfully,

LANKA SATHOSA LIMITED

Chairman

SECTION I

INSTRUCTIONS TO BIDDERS

1. Scope of Bid

1.1 The Purchaser indicated in the Bid Data Sheet (BDS) issues these Bidding Document for the Supply of Provision Ration Items as indicated in the Bid Invitations sent to the Bidders by the Purchaser, on behalf of the PC.

2. Source of Funds

2.1 Payments under this contract will be financed by the Lanka Sathosa Ltd.

3. Ethics, Frauds and Corruption

3.1 The attention of the Bidders is drawn to the followings of the Procurement Guidelines, publish by the National Procurement Agency (NPA) (presently the Public Finance Division, Ministry of Finance);

- Parties associated with the Procurement action, namely, the Suppliers/Contractors and Officials, shall ensure that they maintain strict confidentiality throughout the process.
- Officials shall refrain from receiving any personal gain from any Procurement Action. No gifts or inducement shall be accepted. Suppliers/Contractors are liable to be disqualified from the Bidding process if found offering any gift or inducement which may have an effect of influencing a decision or impairing the objectivity of an official.

3.2 The Purchaser requires the Bidder/Supplier/Contractor to observe the highest standard of ethics during the Procurement execution of such contracts. In pursuit of this policy;

- a. “Corrupt Practice” means the offering, giving, receiving or, directly or indirectly, of anything of value to influence the action of a public official in the procurement process or in contract execution.
- b. “Fraudulent Practice” means misrepresentation or omission of facts in order to influence a procurement process or the execution of a contract.

c. “Collusive Practice” means a scheme or arrangement between two or more Bidders with or without the knowledge of the Purchaser to establish Bid prices at artificial, noncompetitive levels.

d. “Coercive Practice” means harming or threatening to harm, directly or indirectly, persons or property to influence their participation in the procurement process or affect the execution of contract.

3.3 If the Purchaser found any unethical practice as stipulated under clause 3.2, the Purchaser will reject a Bid, if it is found that a Bidder directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practice in competing for the contract in question.

4. Eligible Bidders

4.1 All bidders shall process legal rights to supply the Goods under this contract.

4.2 A Bidder shall not have a conflict of interest. All Bidders found to have conflict of interest shall be disqualified. Bidders may be considered to have a conflict of interest with one or more parties in this Bidding process, if they;

a. Are or have been associated in the past, with a firm or any of its affiliates which have been engaged by the Purchaser to provide consulting services for preparation of the documents to be used for the procurement of Goods to be purchased, or

b. Submit more than one Bid for the same item/s during the Bid submission.

4.3 A Bidder who is under a declaration of ineligibility by the Dept. of Public Finance (Ministry of Finance), at the date of submission of a Bid/Quotation shall be disqualified. The List of debarred firms is available at the website of Dept of Public Finance, www.pfd.treasury.gov.lk (e-mail – pubfin@pfd.trasury.gov.lk)

4.4 Only Local Bidders are eligible to Bid.

5. Eligible Goods and Related Services

5.1 All Provision Ration Items supplied under this contract shall be complied with applicable standards stipulated by the Sri Lanka Standard Institute (SLSI). In the absence of such standards, the Goods supplied shall be complied to other internationally accepted standards or stipulated by the Purchaser.

CONTENTS OF BIDDING DOCUMENT

6. Sections of Bidding Document

6.1 This Bidding Document Consist of following Sections;

Invitation for Bid (IFB)

Section I - Instructions to Bidders (ITB)

Section II - Bidding Data Sheet (BDS)

Section III - Evaluation and Qualification Criteria

Section IV - General Condition of the Contract (GCC)

Section V - Contract Forms

6.2 The Bidder is expected to examine all instructions, terms & conditions, information in the Bidding Document.

7. Clarification of Bidding Document

7.1 A prospective Bidder requiring any clarification of the Bidding Document shall contact the Purchaser in writing at the Purchaser's address specified in the BDS. The Purchaser will respond in writing to any request for clarification.

8. Amendment of Bidding Document

8.1 Purchaser may amend the Bidding Document by issuing an addendum.

8.2 Any addendum issued shall be part of the Bidding Document and shall be communicated to, in writing to all who have obtained/ purchased the Bidding Document.

PREPARATION OF BIDS

9. Cost of Bidding

9.1 The Bidder shall bear all the cost associated with the preparation and submission of his/her Bids and the Purchaser shall not be responsible or liable for those costs, regardless of the conduct or outcome of the Bidding process.

10. Language of Bid

10.1 The Bids as well as correspondence and documents relating to the Bid (including supporting documents and printed literatures) exchange by the Bidder and the Purchaser, shall be written in English language as much as possible.

11. Documents Comprising with the Bid

11.1 The Bid shall comprise the following;

- a. Bid Submission with the applicable Price Schedule.

12. Bid Prices and Discounts

12.1 The Bidder shall indicate on the price schedule, the unit price and total Bid price of the Goods, the Bidder intend to supply.

12.2 Any discount offered against any single item in the price schedule shall be included in the unit price of the item. However, a Bidder wishes to offer discount as a lot, the Bidder may do so by indicating such amount appropriately.

12.3 i. Prices indicated on the Price Schedule shall include all duties and other taxes payable by the Bidder.

ii. Tippex must not be used in price schedule and documents mark with Tippex will be rejected.

iii. VAT shall not be included in the price schedule, but shall be included separately (if applicable only).

iv. The Bidder shall not include the price for local transportation, insurance and other related services to deliver the goods to the final destination, in the price schedule.

12.4 The price quoted by the Bidder shall be fixed during the Bidder's performance of the contract and not subject to variations on any account. A Bid submit with an adjustable price quotation will be treated as non-responsive and rejected.

12.5 During the evaluation, if the TEC found an unrealistically low price, the price shall be subject to Cost Realism Evaluation by the TEC based on "fair market price". If any price is found unrealistic as per the "fair market price", Procurement Committee shall have the right to reject or accept.

12.6 TEC may correct any unrealistic rate quoted by a Bidder if found due to an arithmetical error.

13. Currencies of Bid

13.1 Unless otherwise stated, the Bidder shall quote in Sri Lankan Rupees and payments shall be payable only in Sri Lankan Rupees.

14. Documents Establishing the Eligibility of the Bidder

14.1 To establish the eligibility, Bidder shall submit the required details as indicated under clues 3.1.1 of General Instructions, Terms and Conditions issued with the Application Form, at the time of Registration.

15. Validity of the Bid

15.1 Bid should be signed by an authorized person.

15.2 Bid shall remain valid until the date specified in the Bid Invitation/Quotation.

15.3 In the event of the Bidder withdraws the Bid within the Bid validity period, the Procurement Committee reserve the right to remove the name of the Bidder from the Registered Supplier List of the Purchaser or Bidder agree to pay a sum not exceeding 1% of the total value of the Bid in the form of a cash Cheque written in favor of the Purchaser.

16. Signing of Bid

16.1 The Bidder shall prepare an original Bid and sign by the Bidder or a person duly authorized to sign on behalf of the Bidder.

16.2 Any alterations (corrections) to the price schedule are valid only if the alterations are visible and signed by the authorized Bidder or his/her authorized representative. Use of erasers and “correction fluid” (Tippex) to the price schedule shall be subjected to rejection of the Tender.

SUBMISSION AND OPENING OF BIDS

17. Submission, Sealing and Marking of Bids

17.1 Bids should be submitted in a sealed cover and deposited in the Tender Box on or before the stipulated date and time, placed at the location as specified in the Bid Invitation. Late Bids will be rejected.

17.2 Bidders may always submit their Bids by hand in sealed envelopes as specified in the Bid Invitation.

17.3 The outer envelope of the Bid shall;

- a. Bear the name and address of the Bidder.
- b. Be addressed to the Purchaser.
- c. Bear the specific identification of the Bid.

If the envelopes are not sealed and marked as required, the Purchaser will assume no responsibility for the misplacement or premature opening of the Bid.

18. Deadline for Submission of Bids

18.1 Bids must be received by the Purchaser at the address and no later than the date and time specified in the Bid Invitation.

18.2 The Procurement Committee at its discretion extends the deadline for the submission of Bid by amending the Bid Invitation in which case all rights and obligations of the Purchaser and Bidder's, previously subject to the deadline be subjected to the deadline as extended.

19. Late Bids

19.1 The Purchaser on behalf of the Procurement Committee shall not consider any Bid that arrive after the deadline for submission of Bids. Any Bid received by the Purchaser after the deadline for submission of Bids, shall be declared late, rejected and returned unopened to the Bidder.

20. Bid Opening

Bids will be opened in the presence of the Bidders or their authorized representatives who chose to attend in person at the address given in the Bid Invitation.

20.1 A Bid Opening Committee appointed by the Procurement Committee shall conduct the Bid Opening in public at the address, date and time specified in the Bid Invitation. Bid Opening Committee will read the name of the Bidder, Bid Price, Discounts and any other details as Bid Opening Committee may consider as appropriate, at the Bid Opening.

20.2 The Purchaser shall prepare a record of the Bid Opening containing Name of the Bidder, the Bid Price, any discounts. The Bidder/representative shall be requested to sign the attendance sheet.

EVALUATION AND COMPARISONS OF BIDS

21. Confidentiality

21.1 Information relating to the examination, evaluation, comparison of Bids and recommendation of contract award shall not be disclosed to Bidders or any other person not officially concern with such process until publication of contract award.

21.2 Any effort by a Bidder to influence the Procurement Committee in examination, evaluation, comparison and post qualification of the Bid or contract award decision shall result in the rejection of the Bid.

21.3 If any Bidder wishes to contact the Procurement Committee on any matter related to the Bidding process, from the time of Bid opening to the time of Contract award, it should do so in writing.

22. Clarification of Bids

22.1 To assist in the examination, evaluation, comparison and post-qualification of Bids, the Procurement Committee may, at its discretion, request any Bidder for a clarification of Bid. Any clarification submitted by a Bidder in respect to its Bid and that is not in response to a request by the Procurement Committee shall not be considered for purpose of evaluation. The Procurement Committee request for clarification and the response shall be in writing. No change in price or substance of the Bids shall be sought, offered or permitted, except to confirm the arithmetical errors discovered by the TEC in the evaluation of the Bid.

23. Responsiveness of Bid

23.1 A substantially responsive Bid is the one that confirm to all terms, conditions of the Bidding Document.

23.2 If a Bid is not substantially responsive to the Bidding Document, it shall be rejected by the Procurement Committee and may not subsequently be made responsive by the Bidder by corrections.

24. Errors and Omissions

24.1 TEC shall correct the arithmetical errors of substantially responsive Bid on following basis;

a. If there is a discrepancy between the Unit Price and the total that is obtain by multiplying the Unit Price by the quantity, the Unit Price shall remain and the total shall be corrected.

b. If there is a discrepancy between words and figures, the amount in words shall prevail unless the amount expressed in words is related to an arithmetical error.

24.2 If the Bidder that submits the lowest evaluated Bid does not accept the correction of errors, his Bid shall be disqualified.

25. Examination of Bids

25.1 The TEC shall examine the Bid to confirm the Price Schedule.

26. Evaluation of Bids

26.1 To evaluate a Bid, the TEC shall consider the following;

a. The Bid price.

b. Validity and completeness of Bid

c. Price adjustments for correction of arithmetical errors.

d. Price adjustments due to discounts offered.

e. Testing of Samples (Visually in accordance of SLS, standard Specifications)

f. Adjustments due to application of the Evaluation Criteria.

g. Comparison of unrealistic rates with “fair market price”.

h. Past performance/non-performance based on the performance report of previous Purchase.

26.2 The TEC evaluation of a Bid may require the consideration of other factors. These factors may be related to the characteristics, performance, terms and conditions of purchase of Goods and related services as determine by the TEC.

26.3 Bidder may quote for one or more items and the Procurement Committee shall allow one or multiple items to more than one Bidder.

27. Comparison of Bids

27.1 The Procurement Committee shall compare all substantially responsive Bid to determine the lowest evaluated Bid.

28. Post-qualification of the Bidder

28.1 The Purchaser shall determine to its satisfaction whether the Bidder that is selected as having submitted the lowest evaluated and substantially responsive Bid is qualified to perform the Contract satisfactorily.

28.2 An affirmative determination shall be a prerequisite for award of the Contract to the lowest Bidder. A negative determination shall result in disqualification of the Bid, in which event the Procurement Committee shall proceed to the next lowest evaluated Bid to make a similar determination of the that Bidder's capability to perform satisfactorily.

29. Samples

29.1 Bidder shall submit the samples when requested by the Purchaser/as specified in the Bid Invitation, in order to submit the same to the Procurement Committee for approval. If the Bidder fails to submit the samples on or before the deadline, relevant Bid may liable to be rejected.

30. Procurement Committee's Right to Accept any Bid and, to Reject any or all Bids.

30.1 The Procurement committee reserves the right to accept or reject any Bid and annul the Bidding process and reject all Bids at any time prior to contract award, without thereby incurring any liability to Bidders

AWARD OF CONTRACT

31. Award Criteria

31.1 The Procurement Committee shall award the Contract to the Bidder whose offer has been determined to be lowest evaluated Bid and is substantially responsive to the Bid, provided further that the Bidder is determined to be qualified to perform the contract satisfactorily.

31.2 Contract shall be awarded at the “fair market Price” determined based on market survey by the Procurement Committee in assistance with the TEC.

32. Signing of Contract

32.1 Bidders are liable to enter in to a Contract Agreement with the Purchaser within the period specified in the Contract Agreement, at the time of Registration of Contractors. If the Bidder refuses to enter in to a Contract Agreement with the Purchaser, the Purchaser has the right to cancel the Registration.

33. Purchaser’s Right to Vary Quantities at Time of award

33.1 At the time of contract is awarded, the Purchaser reserves the right to increase or decrease the quantity of Goods and related services originally specified in the Bid invitation provided this does not exceed Twenty five percent (25%) without change in the unit price or other stipulated Terms and Conditions.

34. Notification of Award

34.1 Purchaser shall notify the successful Bidder, in writing that the Bid has been accepted.

35. Non-Performance of the Contract

35.1 The Bidder shall take every endeavor to ensure the delivery of total order quantity in right quality as per the approved samples within the period specified in the Bid Invitation. However, the Bidders are given the following alternatives;

a. Deliver 50% of the total quantity within 3 working days from the date of Contract award.

b. Deliver 90% of the total quantity within 07 days from the date of Contract award.

35.2 In the event of failure to deliver the order quantity in time, the Bidder is subjected to a penalty of not exceeding 10% of the total value of undelivered quantity from the payments due to the Bidder and the Bidder is liable to full fill the undelivered quantity before the next delivery.

35.3 Failure of the successful Bidder to deliver the ordered quantity in time constitute sufficient grounds for the annulment of the award and remove the name of the default Bidder from the List of Registered Suppliers of the Purchaser without prejudice to any other remedy to procure the requirements of the Purchaser. In that event, the Procurement Committee may award the contract to the next lowest evaluated Bidder whose offer is substantially responsive and is determined by the Procurement Committee to be qualified to perform the Contract satisfactorily.

35.4 The performance of the food items supply will be monitored by the Purchaser continuously and performance will be reported weekly or at the next earliest session of Procurement Committee meeting. If the supply of food items is not satisfactory, the tender will be cancelled.

35.5 After being awarded a Contract, Bidders are not permitted to change the scope of the food items by submitting another item instead of agreed/approved samples of food items. In such occasions, the Procurement Committee has the right to cancel the Contract and award the Contract to the next lowest evaluated substantially responded Bidder and or cancel and recall the Tender.

SECTION II
BID DATA SHEET

The following specific data for goods to be procured shall supplement or amend the provisions in the Instructions to Bidders (ITB). Whenever there is a conflict, the provisions here in shall prevail over those in ITB.

UTB Clause Reference	A. General
ITB 1.1	The Purchaser is: The Chairman Lanka Sathosa Ltd.
ITB 1.1	Name of Contract: Supply of Provision Ration Items to Lanka Sathosa Ltd, For the Year 2019.
ITB 2	Source of Funding: Lanka Sathosa Ltd
ITB 4	<p><u>Eligibility Criteria:</u></p> <p>4.1.1 Bidders shall be Sri Lankan Business Entity Local Suppliers, Local Agents, Importers of their Accredited Agents, Contractors, and Manufacturers.</p> <p>4.1.2 Bidder shall not be blacklisted. If any poor performance reported and evident against the Bidder. Total Bid or one or more Bid is liable to be rejected in Bid Evaluation.</p> <p>4.1.3 Bidder shall have adequate Warehouse and Transport facilities.</p> <p>4.1.4 Bidder shall have adequate financial capacity.</p>
ITB 4.4	No foreign Bidders are allowed to participate in Bidding.
ITB 5.0	Branded items shall be supplied as mentioned in the Bid Invitations.
	B. Contents of Bidding Document
ITB 6	<p>Contents of Bidding Document;</p> <p>Instruction to Bidders (ITB)</p> <p>Bidding Data Sheet (BDS)</p> <p>Evaluation and Qualification Criteria</p> <p>General Condition of Contract</p>

	<p>Contract Data</p> <p>Contract Forms</p>
ITB 7.1	<p>For clarification of Bid purpose only, the Purchaser's address is</p> <p>Attention: Deputy General Manager (Procurement)</p> <p>Address: Lanka Sathosa Ltd</p> <p>27, CWE Secretariat Building,</p> <p>Vauxhall Street,</p> <p>Colombo 02.</p>
ITB 12	<p>The prices quoted by the Bidder shall be fixed for the items supplied and delivered to the respective receiving station as informed by the Purchaser. The approved prices are not subjected to revisions/variations on any account during the period of supply as mentioned in the Bid Invitation.</p> <p>Bidder shall quote for all-inclusive prices. This price will be considered as the final Bid price for the responded Bid and the Bidders are not allowed to declare or claim any other taxes or charges after disclosing the final contract awarding price. TEC and the PC will consider the "fair market price" to determine and approve the Bid prices.</p>
ITB 13	<p>Bidders are not allowed to quote in currencies other than Sri Lanka Rupees.</p>
ITB 15.2	<p>Bid shall be valid as specified in the Bid Invitation.</p>
ITB 15.3	<p>Period of time the goods are expected to be delivered; as specified in the Bid Invitation/informed by the Purchaser.</p>
ITB 17	<p>Bid should be submitted in advance in a sealed cover (envelope) marked "Supply of Provision Items – 2019" on the top left hand corner of the envelop so as to reach the Chairman Procurement Committee, No. 27, CWE Secretariat Building, Vauxhall Street, Colombo 02.</p> <p>Bids shall be deposited in the Tender Box placed which is indicated place in the Bid Invitation.</p>
ITB 18.1	<p>Date and time of closing and opening of Bids as indicated in the Bid Invitation</p>

ITB 26	<p>Following factors and methodology will be used for Evaluation;</p> <ul style="list-style-type: none"> a. Bid Price b. Validity of offer and completeness of bid. c. Arithmetical corrections for the prices quoted. d. Cost realism evaluation on unrealistic rates as mentioned in ITB clause 31.2 e. Visually Testing of Samples by TEC. f. Adhering to instructions given in Invitation for Bid Invitation
ITB 26.1. f	<p><u>Unrealistic Rates</u></p> <ul style="list-style-type: none"> a. During evaluation, if the TEC found an unrealistically low price, the price shall be subjected to a Cost Realism Evaluation by TEC. Criteria that shall be used for Cost Realism Evaluation is the “fair market price”. b. If any price is found unrealistic as per the above criterion, Procurement Committee shall have right to reject or accept any particular item. c. Notwithstanding anything herein, the TEC may correct any unrealistic rate quoted by a Bidder, if found due to an arithmetical error in accordance of ITB clause 31.2
ITB 30.2	<p><u>Award of Contract</u></p> <p>Contract award shall be based on the “fair market price” determined based on market survey by the PC in assistance of the TEC. If the prices quoted by the Bidder are below or equal with the fair market prices, contract shall be awarded at the quoted prices.</p>
ITB 34.3	<p>The performance of goods supply will be monitored by the Purchaser and the performance will be reported weekly or at the Bid Opening. If the supply of the items is not satisfactory, the Tender may be cancelled.</p> <p>Successful bidders are not permitted to change the Scope of the Tender by proposing or submitting another food item, instead of agreed/approved samples of food items. In such occasions, the PC has the right to cancel the Contract Agreement.</p>

SECTION III

QUALIFICATION CRITERIA

Qualifications for Bidders

Bidder shall have following eligibility Criteria;

- Bidder shall not have been Black Listed
- Bidder shall have experiences involve in similar nature business. If any poor performance reported and evidence against the Bidder, Bids are liable to be rejected in Bid Evaluation.
- Bidder shall have adequate warehouse and transport facilities and such facilities shall be maintained at satisfactory level.
- Bidder shall have adequate financial resources.

SECTION IV
GENERAL CONDITION OF CONTRACT

1. Termination

1.1 Termination for Default

a. The Purchaser, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the Supplier, may terminate the Contract in whole or in part;

i. If the Supplier fails to deliver any or all of the good within the period specified under clause 35.2 of Award of Contract, or within any extension thereof granted by the Purchaser.

ii. If the Supplier fails to perform any other obligation under the Contract, or

iii. If the Supplier, in the judgment of the Purchaser has engage in fraud and corruption, as defined under clues 3 of the Instructions to Bidders.

b. In the event the Purchaser terminate the Contract in whole or in part, the Purchaser may procure, goods similar to those undelivered or not performed and the Supplier shall be liable to the Purchaser for any additional costs for such similar goods or related services.

c. If the successful Bidder after signing the Contract Agreement, fails or refrain from supplying the items as required under the terms of Contract, the penalty clue defined under clues 35.2 of Award of Contract, will be executed and his/her name is liable to be placed in the List of the Defaulting Contractors.

2. Assignment

2.1 Neither the Purchaser nor the Supplier shall sign, in whole or in part, their obligations under this Contract, except with prior written consent of the other party.

3. The Purchaser reserve the right to accept or reject any Bid, and to annul the Bidding process and reject all Bids at any time prior to Contract awarded without thereby incurring any liability to Bidder.

4. The Supplier will be required to supply the goods at his/her own expenses to one or more stations as informed by the Purchaser.

5. Orders to be Issued in Writing

All orders connected with the Contract will be issued in writing by the Purchaser or his representatives. The successful Bidder should be in readiness to supply the order within specified time period by the Purchaser.

6. Quality and Quantity of Items and Time of Delivery

Items supplied should be according to the approved Samples/standard Specifications (SLS/ISO) and required quantities ordered for, and should be delivered at the required station on time.

7. Samples

7.1 Samples approved by the Technical Evaluation Committee will be taken over by the Purchaser. The Supplier is required to hand over the required quantity/number of pieces conforming to the approved Samples to the Purchaser to enable to make them available at each receiving station for testing and inspection purposes before acceptance of goods.

7.2 The food items accepted after inspection and tests, but found to be not suitable for human consumption should be replaced by the Supplier with no cost. Consignments, in this nature are repeated, the contract is liable to be terminated.

7.3. The Supplier shall supply the Branded Items as specified in the Bid Invitation.

8. Conditions, Quantity and Standard of the Items and Time of Supply

a. Items to be supplied, should be in the ordered quantity in compliance with the approved Samples/standard Specifications to the specified place of supply on due date.

b. Acceptance of food items is based on the samples selected by the Purchase as describe in the Evaluation Criteria with the assistance of the expertise.

c. Items should be supplied as indicated in the Bid Invitation and Purchase Order.

d. Bids may be called from the Registered Suppliers or short-listed supplier or from any other supplier, under Competitive Bidding method, on weekly basis or as per the requirement of the Purchaser.

9. Inspections and Tests

a. Physical inspection and test will be carried out at the point of acceptance.

b. The persons nominated by the Purchaser will inspect the Items and accept/reject at the point of the acceptance. Item rejected as not conforming to the approved Samples/standard Specifications samples or condition of the Contract should be removed from the Supplier at his own expenses. If food items supplied appear to be of inferior quality, the supplies will be required to submit a test report along with the declaration report for the particular food item and replace such items conforming to the required standard Specification/approved samples.

10. Method and Condition of Payments

10.1 The method and Condition of Payments to be made to the Supplier under this Contract shall be as follows;

- Payment may be made in Sri Lankan rupees within 15 working days on presentation of claim, supported by a certificate from the Purchaser declaring that the goods have been delivered and that all other contracted services have been performed.

**SECTION V
CONTRACT FORMS**

CONTRACT AGREEMENT

**SUPPLY OF PROVISION RATION ITEMS TO LANKA SATHOSA LTD
FOR THE YEAR 2019**

This **Agreement** is made and entered into at Colombo in the Democratic Socialist Republic of Sri Lanka on this (.....) day of Two Thousand and Nineteen (2019).

By and between

The **LANKA SATHOSA LTD**, a body duly corporate and established under the Company Act No. 07 of 2007 bearing Registered No PB 1326 having its Head Office at the No. 27, CWE Secretariat Building, Vauxhall Street, Colombo 02 in the said Republic of Sri Lanka (hereinafter called and referred to as '**the Purchaser**' which term or expression shall where the context so requires admits and mean and include the said **Lanka Sathosa Ltd**, its successors in office and lawful assigns) of **ONE PART** and

....., a Company duly incorporated under the Companies Act No: 07 of 2007 bearing Registered No: and having its Registered Office at (hereinafter called and referred to as '**the Supplier**' which term or expression shall where the context so requires admits and mean and include the said its successors and lawful assigns) of the **OTHER PART**.

WHEREAS the Purchaser desires that the Supplier shall execute Supply of Provisional Ration Items as quoted by the Supplier at the Registration of Supplier for **Supply of Provisional Items to Lanaka Sathosa Ltd for the year 2019** (hereinafter referred to as "**THE SUPPLY**") and as such accepted the Registration of the Supplier by the Purchaser for execution and completion of the Supply indicated in the Bid Invitation that will be sent to the Supplier for Supply of Provisional Items to Lanaka Sathosa Ltd as and when required (hereinafter referred to as "**Bid Invitation**").

NOW THIS AGREEMENT WITNESSETH as follows;

- (1) The Supplier agrees to deliver Provision Ration Items as stated in the Bid Invitation with quantities demanded as per the approved Samples and standard Specifications defined in the Bidding Document, for the period commencing from January to December 2018 or as extended by the Purchaser, thereafter.
- (2) The Supplier agrees to deliver the Provision Ration Items as stated in the Bid Invitation disregarding the price increase of market and the approved prices by the Procurement Committee.
- (3) Supplier should deliver 50% of the items within 3 days and 90% of items within 6 days from the date of award of the Contract, to the stations as informed by the Purchaser.
- (4) When the supplying Items are not complied with approved Samples/standard Specifications, the Purchaser reserves the right to reject without taking over and, on such rejection the Supplier should deliver the Items complying with the Samples before 12 noon of the deadlines mentioned in clause 3 above, as appropriate. When supplying of such Items will not be practical or delayed, the Purchaser reserve the right to purchase it from outside, at prevailing prices according to the requirement and the Supplier is bound to reimburse the value of such external purchasing.
- (5) When executing in respect of the above clause No.(4), if the Purchaser has to pay excessive prices, the Supplier shall pay the Purchaser the said excessive prices and all the expenses born on for transport and labour.
- (6) When the Supplier fails to supply 90% of the ordered quantity of demanded Provision Ration Items within 07 days from the date of award of the Contract, the Supplier is liable to pay a penalty as defined in the Bid Invitation and the clues 35.2 of Award of Contract.
- (6) In case of failure of the Supplier to deliver the Provision Ration Items ordered from him/her to the stations during the period as informed by the Purchaser, the Purchaser reserve the right to terminate this agreement on the ground of failure to follow the affairs of this Agreement.
- (7) The supplier agrees to employ labour for loading and loading of the Items supply by the Supplier, at his own expenses.
- (8) The Supplier shall not, without a written consent of the Purchaser, transfer or alienate or assign in any way, his/her responsibilities and obligations in executing the Contract awarded to the Supplier, to a third party.
- (9) In case of failure of the Supplier to provide Provision Ration Items within the defined time period, the Purchaser reserve the right to cancel the contract and procure any or all items mentioned in the Bid Invitation from the next substantially responsive Bidder. The

default Supplier cannot claim any compensation as loss or otherwise from the Purchaser on the ground of failing to deliver by the Supplier.

- (10) The Supplier shall follow a hygienic security procedure in transporting of Provision Ration Items under this Agreement. When transporting the Items mentioned in the Bidding Invitation, should be transported separately as possible to avoid mixing.
- (11) The Purchaser has the right to purchase the quantity of Provision Ration Items mentioned in the Bid Invitation or decrease or increase. In the event of decrees, the Supplier has no right to claim compensation occurred on such occasions.
- (12) The Purchaser reserve the right to terminate this Agreement without prior notice on the ground of national interest/financial constrains/refusal of the customers to purchase the Items/unsatisfactory turnover/termination of the business or part of the business by the Purchaser/Natural or man-made disasters/calamities etc.
- (13) Any doubt, dispute controversy and/or claim relating to this Contract or breach or terminate of any part or partial in connection with the Contract, shall first be amicably settled by the parties. In the event a dispute so arisen is not resolved by the parties to this Contract amicably, the parties shall refer any such matter to a competent court in Sri Lanka. In such events, claims incur for legal action shall be born as ordered by the court.
- (14) The following documents shall be deemed to form and be read and construed as part and parcel of this Agreement;
 - (a) Bid by the Supplier
 - (b) Letter of Acceptance/Confirmation note accepting the Bid
 - (c) Standard Bidding Document
- (15) The Purchaser may pay the Supplier fortnightly for properly supplied Provision Ration Items mentioned in the Bid Invitation. The Supplier shall fill up invoices properly and forward to Purchaser with Bills certified by the receiver authorized by the Purchaser.
- (16) In consideration of the payments to be made by the Purchaser to the Supplier, hereby covenants with the Purchaser to execute and complete the Supply and remedy any defects therein, in conformity with all aspects of provisions of this Contract.
- (17) The Supplier shall submit the Purchaser, the details of his Bank Account in order to deposit payments due for supplier for supplying of Provision Ration Items as mentioned in the Bills/Invoices certified by the authorized receiver at the receiving end of Lanka Sathosa Ltd in order to avoid delays in clearing the Bills/Payments due for Supplier.

In the event the Supplier request to collect the cheques by hand, the Supplier shall submit a written request addressed to the DGM Finance of Lanka Sathosa Ltd, confirming the

Name and NIC No. of the person to whom the authority is delegated by the Supplier to collect the Cheques.

- (18) The Purchaser, hereby covenants to pay the Supplier in consideration of the execution and completion of the Supply and remedying of any defects therein, the approved Price payable under the provisions of the Contract, at the times and in the manner prescribed by the Contract.

IN WITNESS WHEREOF the parties hereto have set their respective hands hereunto and to two others and caused their Official Seals of the same tenor on this (.....) day of Two Thousand and Nineteen (2019).

For and on behalf of the Purchaser

.....
Chairman
Lanka Sathosa Ltd

.....
Chief Executive Officer
Lanka Sathosa Ltd

Witnesses:

- 1. 2.

For and on behalf of the Supplier

For and on behalf of the Supplier

.....

.....

Witnesses:

- 1. 2.

DETAIL ITEM LIST

Srl No	Cat No	Items
		Category A RICE
1	A1	White Raw Rice
2	A2	Red Raw Rice
3	A3	White Nadu
4	A4	Red Nadu
5	A5	Samba Rice
6	A6	White Raw Samba
7	A7	Red Raw Samba
8	A8	Keeri Samba
9	A9	Basmathi Rice
10	A10	Red Basmathi Rice
11	A11	Broken Rice
		Category B PULSESES
11	B1	Red Lentils
12	B2	Yellow Lentils
13	B3	Whole Lentils
14	B4	Yellow Split Peas
15	B5	Chick Peas
16	B6	Orid Dhal
17	B7	Green Gram
18	B8	White Cowpea
19	B9	Red Cowpea
20	B10	Peanuts
		Category C SUGER
21	C1	White Sugar
22	C2	Brown Sugar
		Category D PERISHABLES
23	D1	Big Onions
24	D2	Potatoes
25	D3	Garlic
		Category E DRY FOOD
26	E1	Dried Chilies

27	E2	Sprats
28	E3	Maldive Fish
		Category F CANED FOOD
29	F1	Canned Fish - 425g
30	F2	Canned Fish -155g
		Category G FLOUR
31	G1	Wheat Flour
		Category H PACKETED FOOD
32	H1	White Raw Rice – 05Kg (Packet)
33	H2	Red Raw Rice - 05Kg (Packet)
34	H3	White Nadu -5 Kg (Packet)
35	H4	Red Nadu - 5 Kg (Packet)
36	H5	White Nadu -10 Kg (Packet)
38	H6	Samba -5 Kg (Packet)
39	H7	Samba -10 Kg (Packet)
40	H8	Keeri Samba -5Kg (Packet)