



**CEYLON PETROLEUM CORPORATION**

**PROCUREMENT OF WORKS UNDER INTERNATIONAL COMPETITIVE  
BIDDING**

**INVITATION FOR BIDS TO  
CARRY OUT INDEPENDENT VALUATION FOR REFINERY PLANT EQUIPMENT  
AT SAPUGASKANDA OIL REFINERY AND SUBSTATIONS OF CEYLON  
PETROLEUM CORPORATION, SRI LANKA**

**CONTRACT NO: REF-PD/WORKS/04/2019**

**CEYLON PETROLEUM CORPORATION  
REFINERY DIVISION,  
P.O. BOX 11, SAPUGASKANDA,  
KALENIYA,  
SRI LANKA**

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## **INVITATION FOR BIDS**

**REFINERY DIVISION, CEYLON PETROLEUM CORPORATION, SAPUGASKANDA,  
KALANIYA.**

**TO**

**CARRY OUT INDEPENDENT VALUATION FOR PLANT EQUIPMENT AT  
SAPUGASKANDA OIL REFINERY AND SUBSTATIONS OF CEYLON PETROLEUM  
CORPORATION, SRI LANKA.**

**Contract No. REF-PD/WORKS/04/2019**

1. The Departmental standard Procurement Committee (DSPC) Minor on behalf of Ceylon Petroleum Corporation (CPC) now invites sealed bids from prospective bidders to carry out independent valuation for all the plant equipment at Sapugaskanda Oil Refinery and substations listed below.
  - a) Crude oil storage tank farm at Orugodawaththa.
  - b) Sapugaskanda distribution terminal.
  - c) Water Intake at Kelaniya

In addition, valuation of following infrastructure of CPC shall also be done.

- a) Single point buoy Mooring (SPBM) located at sea, 10km away from Colombo harbor
- b) Crude oil transfer line (24") from SPBM via Colombo harbor and Orugodawaththa intermediate storage facility to refinery. (Approximately 12.1 Km ground length and 9.6 Km submarine length).
- c) 6", 8", & 12" product transfer lines from refinery to Kolonnawa distribution terminal. (Approximately -10.2 Km)
- d) Product transfer lines and associated infrastructure between refinery and Sapugaskanda Distribution Terminal.

Bidders may obtain further information from the office of the Deputy Refinery Manager (Maintenance and projects), Refinery Division, Ceylon Petroleum Corporation, Sapugaskanda, Kelaniya (Tel:+94112400427 / Fax: +942400436 / email: refmanager@slt.net.lk) during office hours until 14.00 Hrs.

2. A pre bid meeting including a site visit will be held at the Conference Room, Refinery Division, Ceylon Petroleum Corporation, Sapugaskanda, Kelaniya at **10:00 hrs.** Sri Lanka standard time on 18<sup>th</sup> June, 2019.
3. Bids shall be valid up to **90 days** from the date of closing of the Bid (**30<sup>th</sup> September 2019**).
4. All bids shall be accompanied by a bid security, issued in favor of the Ceylon Petroleum Corporation for an amount of **1.5% of the quoted amount**, which should be obtained from a reputed commercial bank operating in Sri Lanka, or a foreign bank with the guarantee confirmed by a recognized commercial bank operating in Sri Lanka approved by the Central Bank of Sri Lanka valid for **120 days from the date of closing of bids.(30<sup>th</sup> October 2019)** The Bid Security should be “unconditional on demand” and as per the format given with the bidding documents.
5. Sealed perfected Bids shall be hand delivered or posted under registered cover to reach on or before 14.30 hrs. Sri Lanka standard time on **02<sup>nd</sup> July 2019** to the address given below. Bids will be opened soon after the closing. Late bids shall be rejected.

The Chairman,  
Departmental Standard Procurement Committee (DSPC) Minor,  
C/o. Refinery Manager,  
Refinery Division,  
Ceylon Petroleum Corporation,  
P.O. Box 11, Sapugaskanda,  
Kelaniya, Sri Lanka

6. The total contractual period for the valuation is **180 calendar days**.
7. Bidders or their authorized representatives may present at the opening of bids.
8. Departmental Standard Procurement Committee (DSPC) Minor reserves the right to accept or reject any bid, and to annul the bidding process and reject all bids at any time prior to award the contract, without thereby incurring any liability to the affected bidders or any obligation to inform the affected bidder or bidders of the grounds for the Departmental Standard Procurement Committee’s decision.

Chairman  
Departmental Standard Procurement Committee (DSPC) Minor,  
Refinery Division  
Ceylon Petroleum Corporation,  
P.O. Box 11, Sapugaskanda,

Section I  
Instructions to Bidders (ITB)

**A - General**

1. Scope of Bid
  - 1.1 The Employer, as defined in Bidding Data, hereinafter “the Employer,” wishes to receive bids to carry out independent valuation for plant equipment at Sapugaskanda Oil Refinery and substations of CPC specified in the Bidding Data, and as described in the Employer’s Requirements (Section VI), hereinafter referred as “the Works”
  - 1.2 The Successful bidder will be expected to complete the Works within the time for completion specified in the Bidding Data. If the Contractor fails to complete the Works during that period the Contractor shall pay delay damages to the Employer as specified in Bidding Data.
2. Source of Funds
  - 2.1 The Employer will finance for this project to make eligible payments under the contract, for which these Bidding Documents are issued.
3. Invited Bidders
  - 3.1 All prospective bidders shall confirm in Section VII (Form of Bid), Section VIII (Schedules) and a statement that the Bidder (including all members of a joint venture and sub-contractors) is not associated directly or indirectly in the preparation of the bidding document.
4. Qualification of the Bidders
  - 4.1 All bidders shall include the following information and documents with their Bid in Section VIII (Schedules):
    - (a) Certified copies of original documents defining the constitution or legal status, place of registration, and principle place of business; written power of attorney of the signatory to the Bid to commit the Bidder;
    - (b) All bidders shall include the following information and documents as a minimum with their bids in Section VIII (Schedules):
      - i. Reports on the financial standing of the Bidder, such as full set of audited financial statements for the immediate past three (03) accounting years.
      - ii. Evidence of adequacy of working capital for this Contract (access to line(s) of credit and availability of other financial resources including a bank reference letter);

- iii. The Total monetary value of works performed for each of the last three (03) years;
- iv. Significant Experience in works of a nature and complexity equivalent to the works consisting valuation project in Oil Refineries
- v. Qualification and experience of key Valuation Team proposed for the Contract.

The valuation Team shall have experience in valuating refinery plant equipment within last five (05) years, and the core team should consist of sufficient number of key staff members including at least one chartered engineer and one qualified accountant.

The offers submitted shall include detailed CV's of all the professionals and technical staff, covering their qualifications and experience in the relevant fields including employees of subcontractors if any, who are involved in decision making. The contractor shall be held responsible not to change key personnel during the project execution period.

- 2 Bids submitted by a JV of two or more firms as partners shall comply with the following requirements in addition to Clause 4.1:
  - (a) The Bid shall include all the information listed in Sub-Clause 4.1 above for each joint venture partner;
  - (b) The Bid and, in case of successful bid, the Contract Agreement shall be signed so as to be legally binding on all partners;
  - (c) All partners shall be jointly and severally liable for the execution of the contract in accordance with the Contract terms;
  - (d) One of the partners shall be nominated as the lead partner to receive instructions for and on behalf of any and all partners of the joint venture;
  - (e) The execution of the entire Contract, including payments, shall be done as per the JV agreement; and
  - (f) A copy of agreement entered into by the joint venture partners shall be submitted with the Bid. If the JV agreement is not signed, the letter of intent to enter into an agreement together with the draft JV agreement shall be submitted.

4.3 To qualify for the award of the Contract, bidders shall have the.

- (a) Experience as a contractor who has successfully completed the valuation projects of a nature and complexity equivalent to the Works specified under “scope of work” in Section VI, within Oil Refineries over the last five (5) years.

Copies of the relevant Taking over Certificates (TOC) or any other valid document issued by the Clients shall be provided including contact details (e-mail, telephone, etc.) to prove the authenticity.

- (b) A consistent history of litigation or arbitration awards against the Bidder or any partner of a joint venture may result in disqualification.

5. One Bid per Bidder 5.1 Each Bidder or a joint venture company shall submit only one Bid. A Bidder, who submits or participate more than one Bid will be disqualified.

6. Cost of Bidding 6.1 The Bidder shall bear all costs associated with the preparation and submission of its Bid, and the Employer will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

7. Site Visit 7.1 The Bidders are advised to visit and examine the site & its surroundings and obtain, for himself on its own responsibility, all information that may be necessary for preparing the Bid and entering into a Contract for the Works. The costs of visiting the Site shall be at the Bidder’s own expense.

**B – Bidding Documents**

8. Content of Bidding Document 8.1 The Bidding documents are those stated below, and should be read in conjunction with any addenda issued in accordance with Clause 10:

- Section I - Instructions to Bidders
- Section II - Bidding Data
- Section III - Conditions of Contract
- Section IV - Contract Data
- Section V - Standard Forms
- Section VI - Employer’s Requirements
- Section VII - Form of Bid
- Section VIII - Schedules

Section IX	-	Schedule of Prices
Section X	-	Attachments

9. Clarification of

Bidding Document 9.1 A prospective Bidder requiring any clarification of the bidding documents may notify the Employer in writing or by facsimile or by Email at the Employer's address indicated in Bidding Data. The Employer will respond to any request for clarification which receives up to two weeks prior to bid closing dates. Copies of the Employer's response will be forwarded to all parties who have collected bid document, including a description of the inquiry but without identifying its source.

Contact details of the bidder shall be provided to CPC at the collection of bid for the purpose of obtaining clarification and convey notification, if any.

10. Amendment of Bidding

Document 10.1 At any time prior to the deadline for submission of bids, the Employer may amend the bidding document by issuing addenda.

10.2 Any addendum thus issued shall be part of the bidding documents pursuant to Sub-Clause 8.1, and shall be communicated in writing or by facsimile to all invited bidders. Prospective bidder shall promptly acknowledge receipt of each addendum to the Employer.

10.3 To give prospective Bidders reasonable time in which to take an addendum into account in preparing their Bids, the Employer shall extend as necessary the deadline for submission of Bids, in accordance with Clause 20.

**C – Preparation of Bids**

11. Language of Bid 11.1 The Bid, and all correspondence and documents related to the Bid exchanged by the Bidder and the Employer shall be in English language. Supporting documents and printed literature furnished by the bidder may be in another language provided they are accompanied by an accurate translation of the relevant passages in English language, in which case, for purposes of interpretation of the Bid, the English translation shall prevail.

12. Documents Comprising the Bid

12.1 The Bid submitted by the Bidder shall comprise all the documents described under Clause 19 and any other information requested in the Employer's Requirements.



13. Bid Prices
- 13.1 Unless stated otherwise in the bidding documents, the contract shall be for the whole works as described in Sub-Clause 1.1, based on the lump sum price submitted by the Bidder.
- 13.2 Depending on the Bidder's proposal, the Bidder shall fill all relevant items in the Schedule of Prices required for the works. Bidders may add any new activities items which are not included in the Schedule of Prices, but are needed to complete the works in accordance with bidder's proposal and carry them to the Bid Price.
- 13.3 In case of local bids, all applicable tax components should be clearly indicated separately in the bid.
- 13.4 Unless otherwise provided in the Bidding data, the lump sum price quoted by the bidder shall not be subjected to adjustment during the performance of the Contract.
- 13.5 If a foreign Contractor wishes to remit out of Sri Lanka any of earnings in Sri Lanka Rupees representing profits, foreign overheads, home allowances and salaries of foreign personnel, he will have to comply with regulations of the Department of Inland Revenue and of Department of Exchange Control, Central Bank of Sri Lanka. Any charges under this clause will be in Sri Lanka Rupees, and shall be borne by the Contractor.
14. Currencies of Bid and Payment
- 14.1 The prices shall be quoted by the Bidder in foreign currency (USD, SD Euro, JPY or GBP) or SLRS as appropriate.
15. Bid Validity
- 15.1 Bids shall remain valid for the period stipulated in the Bidding Data.
- 15.2 In exceptional circumstances, prior to expiry of the original bid validity period, the Employer may request from the bidders to extend the period of bid validity for a specified additional period. The request and the responses thereto shall be made in writing or by facsimile. A bidder may refuse the request without forfeiting its Bid security. A Bidder agreeing to the request will not be required to modify its Bid, but will be required to extend the validity of its Bid Security for the period of extension, and in compliance with Clause 16 in all respects.
16. Bid Security
- 16.1 The Bidder shall furnish, as part of its Bid, a Bid security in the amount stipulated in the Bidding Data.
- 16.2 The format of the Bid security should be in accordance with the specimen form of bid security included in the bidding document. Bid security shall be valid for the period given in the Bidding data.

- 16.3 Any Bid not accompanied by an acceptable Bid security shall be rejected by the employer as non-responsive.
- 16.4 The Bid securities of unsuccessful bidders will be returned as promptly as possible, but not later than twenty eight (28) days after the expiration of the period of Bid validity.
- 16.5 The Bid security of the successful bidder will be returned within twenty eight (28) days after the submission of required Performance Security.
- 16.6 The Bid Security may be forfeited:
- (a) If the Bidder withdraws its bid, except as provided in Sub-Clause 22.2;
  - (b) If the bidder does not accept the correction of its Bid price, pursuant to Sub-Clause 27.1; or
  - (c) In the case of a successful Bidder, if he fails within the specified time limit to:
    - (i) Sign the agreement; or
    - (ii) Furnish the required Performance Security;
- 16.7 The Bid security shall be issued by a recognized commercial Bank in Sri Lanka or a foreign bank with the guarantee confirmed by a recognized commercial bank operating in Sri Lanka, and approved by the Central Bank of Sri Lanka and payable to the CPC on demand in a sum specified in Bidding Data.

#### 17. Pre-Bid Meeting

- 17.1 Bidder's designated representative(s) is (are) invited to attend a Pre-Bid meeting, which will take place at the venue and time specified in the Bidding Data.
- 17.2 The purpose of the meeting will be to clarify issues and to answer questions on any matter that may be raised at that stage.
- 17.3 The Bidders are requested, as far as possible, to submit any questions in writing or by facsimile, to reach the Employer not later than one (01) week before the pre-bid meeting. It may not be practicable at the meeting to answer all the questions received later or at the time of the meeting. All questions raised at the pre-bid meeting or under Clause 9.0 will be responded in writing by the Employer.
- 17.4 Minutes of Pre-Bid meeting and the responses to the clarifications shall form part and parcel of the contract.

18. Format and Signing  
of Bid

- 18.1 The Bidder shall prepare one original of the documents comprising the Bid as described in Clause 19 of the Instructions To Bidders, and clearly marked “ORIGINAL”. In addition, the Bidder shall submit a copy of the bid, as described in Clause 19, which is clearly marked as “COPY”. In the event of discrepancy between them, the original shall prevail. The bid shall be sealed in accordance with Clause 19.
- 18.2 The original and the copy of the bid shall be signed by a person or persons duly authorized to sign on behalf of the Bidder. All pages of the bid where entries or amendments have been made shall be initialed by the person or persons signing the bid.
- 18.3 The Bid shall contain no alterations, omissions, or additions, unless such corrections are initialed by the person or persons signing the Bid.

**D – Submission of Bids**

19. Sealing and Marking  
of Bids

- 19.1 The Bidder shall seal the original and the copy of the bid in two separate inner envelopes and one outer envelope, duly marking the inner envelopes as “ORIGINAL” and “COPY”. The original cover shall include the originals and the copy shall include copies of the following:
- i. Bid Security in the format given, for the specified amount.
  - ii. Granting authority for the signing of the Bid documents and for the contract agreement if the bid is accepted by CPC, in case of a Company, the board resolution of the company or a documented decision of the partners in a partnership as the case may be.
  - iii. Duly filled and signed Form of Bid;
  - iv. Certified copies of the Memorandum and Articles of Association of the Company or the partnership agreement as the case may be of the Bidder.
  - v. Letter of intent to enter into a JV agreement (if any) together with the draft JV agreement
  - vi. Arbitration / Litigation history for the past five (05) years (a brief narrative of the significant legal proceedings by or against the bidder along with the reference numbers and the outcome if concluded)
  - vii. The audited financial statements for the immediate past three (03) years immediately preceding the date of Bid, and names of two (02) banks or other financial establishments from whom reference could be obtained.

- viii. Acknowledgement of minutes of the pre-bid meeting Addendums (if any) and responses to the clarifications.
- ix. Duly filled Schedules of the bid document.
- x. Duly signed CVs of Key members of the Valuation Team
- xi. Relevant technical literature, catalogues and brochures (if any) published by the bidder.
- xii. Preliminary valuation approach, methodology and schedules.
- xiii. Other information requested under Employer's Requirement and Bidding Data.
- xiv. If principal bidder wishes to appoint a local agent, a legally executable power of attorney and the public contract registration (act-PCA3) to be submitted along with the bid.
- xv. Documentary proofs as per Clause 4.3.
- xvi. Any other information bidder may wish to include.

This information will be critical for the evaluation of the bid submitted. Lack of submission of all the requested information may make the bid liable for disqualification and finally for rejection of the bid. All documentation and correspondence with respect to the bid shall be in English language.

19.2 The inner and outer envelopes/covers shall:

- (a) be sealed
- (b) be addressed to the Employer at the address provided in the Bidding Data;
- (c) bear the name and identification number of the Contract as defined in Bidding Data;
- (d) bear the name and address of the bidder; and
- (e) provide a warning **“DO NOT OPEN, UNTIL 14.30 HRS ON 02<sup>nd</sup> July 2019 (TENDER CLOSING DATE)”**
- (f) **The Title of the bid to be mentioned at top of left hand corner of the outer envelope.**

19.3 In addition to the identification required in Sub-Clause 19.2 (c), all inner covers shall indicate the name and address of the Bidder to enable the Bid to be returned unopened.

19.4 If the outer cover is not sealed and marked as above, the Employer will assume no responsibility for the misplacement or premature opening of the Bid.

## 20. Deadline for Submission

for Bids                    20.1 Bids must be received by the Employer at the address specified in Invitation for Bids no later than the time and date stipulated in the bidding data.

20.2 The Employer may, in exceptional circumstances and at its discretion, extend the deadline for submission of bids by issuing an addendum in accordance with Clause 10, in which case all rights and obligations of the Employer and the Bidders previously subjected to the original deadline will thereafter be subjected to the deadline as extended.

## 21. Late Bids

21.1 Any bid received by the Employer after the deadline for submission of bids prescribed in Clause 20 will be returned unopened to the bidder.

## 22. Modification, Substitution and Withdrawal of Bids

22.1 The bidder may modify, substitute, or withdraw its bid after Bid submission, provided that written notice of the modification or withdrawal under the same signatory of the original bid is received by the Employer prior to the deadline for submission of Bids prescribed in Clause 20.

22.2 The bidder's modification or withdrawal notice shall be prepared, sealed, marked, and delivered in accordance with the provisions of Clause 18 & 19, with the outer and inner envelopes additionally marked "Modification" or "Withdrawal," as appropriate.

22.3 No Bid may be modified by the Bidder after the deadline for submission of Bids.

22.4 Withdrawal of a Bid during the interval between the deadline for submission of Bids and expiration of the period of Bid validity specified in the bidding data or as extended pursuant to Sub-Clause 15.2 may result in the forfeiture of the Bid security pursuant to Sub-Clause 16.

22.5 Bidders may only offer discounts to, or otherwise modify the prices of their bids by submitting bid modifications in accordance with this clause, or included in the original bid submission.

## **E – Bid Opening and Evaluation**

## 23. Bid Opening

23.1 The Employer will open the bids, including withdrawals and modifications made pursuant to Clause 22, in the presence of bidders' authorized representatives who choose to attend, at the time, date, and location stipulated in the Bidding data. The bidders' representatives who are present shall sign their attendance.

23.2 Envelopes marked “WITHDRAWAL” 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 pursuant to Clause 22 shall not be opened.

23.3 The envelope marked as “ORIGINAL” will be opened. If no envelope is marked as “ORIGINAL”, the Employer may open one of the envelopes. If the required documents are available in that envelope, Employer may mark it as “ORIGINAL” and the unopened envelope as the “COPY”. If so the envelope marked as “COPY” will remain unopened. If any of the required documents is missing in the envelope opened first, the Employer may open the other envelope to search such missing information and transfer such documents to one envelope and mark it as “ORIGINAL” and resealed the other envelope and marked as ‘COPY’.

23.4 The Bidders Names, presence (or absence) or Modification to Bid and withdrawals, the presence (or absence) of Bid Security, and any other details as the Employer may consider appropriate, will be announced by the Employer at the opening. Subsequently, all information marked “MODIFICATIONS” shall be opened and the submission therein read out in appropriate detail. No bid shall be rejected at Bid opening except for late bids pursuant to Clause 21.

24. Process to be  
Confidential

24.1 Information relating to the examination, clarification, evaluation, and comparison of Bids, and recommendation for the award of a contract shall not be disclosed to Bidders or any other persons not officially concerned with such process until the award to the successful Bidder has been announced. Any effort by a bidder to influence the Employer’s processing of bids or award decisions may result in the rejection of the Bid.

25. Clarification of  
Bids

25.1 To assist in the examination, evaluation, and comparison of Bids, the Employer may, at its discretion, ask any Bidder for clarification of its Bid, including breakdowns of prices. The request for clarification and response shall be in writing or by facsimile, but no change in the price of the Bid shall be sought, offered, or permitted except as required to confirm the correction of arithmetic errors discovered by the Employer in the evaluation of the Bids in accordance with Clause 29.

26. Examination of Bids and Determination of  
Responsiveness of the  
Bidder

26.1 Prior to the detailed evaluation of bids, the Employer will determine whether each bid

- (a) meets the eligibility criteria;
- (b) has been properly signed;
- (c) is accompanied by the required bid securities;
- (d) Is substantially responsive to the requirements of the bidding documents.

26.2 A substantially responsive Bid is one that conforms to all terms, conditions, and specifications of the bidding document without material deviation or reservation. A material deviation or reservation is one,

- (a) Which affects in any substantial way the scope, quality, or performance of the works;
- (b) Which limits in any substantial way, inconsistent with the bidding document, the Employer's rights or the Bidders obligations under the Contract;
- (c) Whose rectification would affect unfairly the competitive position of other bidders presenting substantially responsive Bids; or
- (d) Which proposes an alternative where not allowed to do so.

26.3 If a Bid is not substantially responsive, it will be rejected by the Employer, and may not subsequently be made responsive by correction or withdrawal of the nonconforming deviation or reservation.

27. Correction of Errors

27.1 Bids determined to be substantially responsive will be checked by the Employer for any arithmetic errors. Errors will be corrected by the Employer as follows:

- (a) Where there is a discrepancy between the amount in figures and in words, the amount in words will govern; and
- (b) Where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern, unless there is an obviously gross misplacement of the decimal point in the unit rate, in which case the line item total as quoted will govern, and the unit rate will be corrected.

(c) Unless this sub-clause is modified in bidding data and if the bid price decreases by the above procedure, the amount stated in the form of bid shall be adjusted with the concurrence of the bidder and shall be considered as binding upon the bidder. If the bidder does not accept the corrected amount of bid, his bid will be rejected, and the bid security may be forfeited in accordance with the sub clause 16.6(b).

(d) Unless this sub-clause is deleted in Bidding Data and if the total Bid price increases due to corrections made on above procedure, the bid price shall not be adjusted to increased price and the corrections should be readjusted within the Bid price in consultation with the Bidder.

28. Currency for Bid  
Evaluation

28.1 Bids will be evaluated in Sri Lankan Rupees. For the evaluation purpose, foreign currencies value will be converted to Sri Lankan Rupees using the prevailing selling exchange rate (published by the Central Bank of Sri Lanka) at the date of the closing of the bids.

29. Evaluation and

Comparison of Bids

29.1 The Employer will evaluate and compare only the Bids determined to be substantially responsive in accordance with Clause 4 & 26.

29.2 In evaluating the bids, the employer will determine for each bid the corrected bid price by adjusting the bid price as follows:

- (a) Making any correction for errors pursuant to Clause 27;
- (b) Making appropriate adjustments as described below to reflect discounts or other price modifications offered in accordance with Sub-Clause 22.5.
  - i. If discounts are offered to limited items, it should be applicable to such items;
  - ii. If discount offered is to the total bid price as a percentage, it should be applicable to all the items at the percentage discount offered excluding for contingencies and provisional sum items, and before the award of contract, all rates and prices shall be adjusted to suit the discount;
  - iii. If discount is offered to the total bid price as a lump sum, such lump sum amount should be considered for evaluation, and before award of contract, and such lump sum amount shall be uniformly distributed to all the items excluding contingencies and provisional sum.



- (c) Converting to Sri Lanka Rupees at the selling exchange rate published by the Central Bank of Sri Lanka on the date of bid opening;

29.3 Bids will be evaluated as per the following procedure considering both financial and technical criteria.

Bidder's Total Financial Score ( $S_f$ ) and Total Technical Score ( $S_t$ ) will be given 0.4 and 0.6 weightage respectively, and the Overall Score ( $S_o$ ) of the bidder will be calculated accordingly as follows.

$$S_o = 0.4S_f + 0.6S_t$$

- (a) Bidder's Total Financial Score ( $S_f$ )

In order to calculate the total financial score of the bidder, following four financial/cost factors will be considered along with the points given before them in the following condition.

$$\text{Points for Total cost for valuation (Sf)} = \frac{\text{Total cost for Valuation of the lowest bid(X)}}{\text{Total cost for valuation of the respective bid(Y)}} \times 100 \quad \%$$

- (b) Bidder's Total technical Score ( $S_t$ )

In order to calculate the total technical score of the bidder, following four technical factors will be mainly considered and CPC technical evaluation committee has sole right to make decision to evaluate and score each offers.

Table 29.2

No	Technical Factor	Max Points
01	Valuation Experience of the bidder	55
	(a) Valuation in an petroleum refinery with same scope. Each project will gain 10 marks	Max 55
	(b) Valuation project in similar chemical industry. Each project will gain 05 marks	Max 30
	(c) Valuation other industrial equipment. Each project will gain 3 marks.	Max 12
02	Qualifications and Experience of the valuation staff.	25
	B.Sc Engineering qualified professional with minimum 5 years valuation experience will gain max 2.5 marks. (chartered engineer- 2.5 up to marks other engineer up to 1.5 marks)	Max 10 marks
	Certified chartered valuation officers with minimum 5 years valuation experience, members of royal institute of chartered valuers will gain max 2.5 marks. Other experience valuation officer will gain up to 1.5 marks only.	Max 15 marks
03	Valuation certifications, project performance and Appreciations. International awards and achievements.	10
04	The level of company profile , Financial standing	10

29.4 The Bidder achieving the highest Overall Score ( $S_o$ ) will be considered as the best evaluated Bidder.

29.5 The Employer reserves the right to accept or reject any variation, deviation, or alternative offers. Variations, deviations, alternative offers, and other factors that are in excess of the requirements of the Bid document or otherwise result in unsolicited benefits for the Employer shall not be taken into account in Bid evaluation.

29.6 If the employer determines that the bid is unbalanced and hence the bidder may fail in the performance of his obligations in some items within the quoted rates, a higher performance security as determined by the Employer may request at the expense of the Bidder to mitigate such risks.

30. Negotiations
- 30.1 Negotiations will include a discussion of the technical proposal, the proposed technical approach and methodology, work plan, and organization and staffing, and any suggestions made by the bidder. The Employer will agree on all the terms, staff, work program, and other important matters that arise on the submissions made by the bidder. All such negotiations shall be documented and the relevant parties shall sign such document which will become a part of the final agreement.

### **F - Award of Contract**

31. Award
- 31.1 Subject to Clause 32, the Employer will award the Contract to the bidder whose bid has been determined to be substantially responsive to the bidding document in accordance with the Clause 26.1, and who has offered the lowest Evaluated bid price, provided that such Bidder has meet the minimum criteria of Clause 4.

32. Employer's Right to Accept  
any Bid and to Reject  
any or all Bids

32.1 The Employer reserves the right to accept or reject any Bid, 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.

33. Notification of  
Award

33.1 Prior to expiration of the period of Bid validity prescribed by the Employer, the Employer will notify the successful bidder by a registered post that its bid has been accepted. This letter (hereinafter and in the Conditions of Contract called the "Letter of Acceptance") shall specify the sum which the Employer will pay the Contractor in consideration of the execution and completion of the Works as prescribed by the contract (herein after and in the Conditions of Contract called "the Accepted Contract Amount").

33.2 The letter of acceptance will constitute the formation of the contract.

33.3 The agreement will incorporate the Memorandum of Understanding if any, between the Employer and the successful bidder, and shall be signed by the Employer and the Successful bidder.

33.4 After issuing the letter of acceptance, the Employer will send the Bidder the Agreement in the form provided in the bidding documents, incorporating all agreements between the parties.

33.5 Upon the furnishing by the successful bidder of the Performance Security, the Employer will promptly notify the other bidders that their bids have been unsuccessful.

33.6 The Employer shall notify the successful bidder the date, time and venue for entering into executing the contract agreement.

34. Performance  
Security

34.1 Within fourteen (14) days of receipt of the Letter of Acceptance, the successful bidder shall furnish to the employer a Performance Security in the amount specified in the bidding data in the form given in the Standard Forms [*Contract*] given under section V.

34.2 The performance security shall be issued by a recognized commercial Bank in Sri Lanka or a foreign bank with the guarantee confirmed by a recognized commercial bank operating in Sri Lanka, and approved by the Central Bank of Sri Lanka and payable to the CPC on demand in a sum specified in the Bidding Data.

35. Advance Payment  
and Security

35.1 The Employer will provide an Advance Payment as stipulated in the Conditions of Contract, subject to a maximum amount of 10% of the Accepted Contract Amount, within twenty one (21) days of the Contractor submitting an acceptable bank guarantee, with a validity of 6month from the award of contract, issued by a recognized commercial Bank in Sri Lanka or a foreign bank with the guarantee confirmed by a recognized commercial bank operating in Sri Lanka, and approved by the Central Bank of Sri Lanka and payable to the CPC on demand, and upon submission of the Performance Security.

36. Payments to  
the Contractor

36.1 The Contractor shall be entitled to receive payments in installments on the basis of his achieving milestones described in the schedule of payments in Section VIII.

37. Adjudicator

37.1 The Employer proposes the person named in the Bidding Data to be appointed as Adjudicator under the contract. If the Bidder disagrees with this proposal, the bidder should so state in the Bid. Then the Adjudicator shall be appointed by the Appointing authority designated in the Bidding Data at the request of the either party.

In any event the Adjudicator shall be a person not associated with the project directly or indirectly and who could demonstrate impartiality and independence in his functions.

Section II

Bidding Data

**Bidding Data**

**Instructions to Bidders Sub-Clause**

<b>Item</b>	<b>Sub- Clause</b>	<b>Entry</b>
<b>Employer's name and address</b>	1.1.& 9.1	The Employer is Name : Ceylon Petroleum Corporation Address : No.609, Dr. Danister de Silva Mawatha, Colombo 09, Sri Lanka
<b>Scope of Works</b>	1.1	The works consists of,  Carrying out detailed valuation individually for all items in the refinery units. This includes pumps, motors, compressors, columns, vessels, heat exchangers, fin coolers, boilers, turbines, storage tanks, pipelines and all equipment, instruments and accessories at Sapugaskanda Oil Refinery and substations of Ceylon Petroleum Corporation, Sri Lanka” as per the employer’s requirements stipulated in Section –VI of the Bidding Document.  The main project site is located within the premises of the Ceylon Petroleum Corporation Oil Refinery, Sapugaskanda, Sri Lanka. The distance from Colombo city to the site at Sapugaskanda is about 15km.
	1.2	Total Time for Completion for the valuation shall be six (06) months(180 calendar days) from the contract commencement date.
<b>Delay damages for the Works</b>	1.2	The delay damages for the whole Works shall be 1% of the Initial Contract Sum per week The maximum amount of delay damages for the whole of the Works shall be 10% of the Initial Contract Sum
<b>Source of funds</b>	2.1	The source of funds is Ceylon Petroleum Corporation (CPC)
<b>Invited bidders</b>	3.1 & 4.3	As selected by the Employer.
<b>Site Visit</b>	7.1	Upon requests made by individual bidders, site visits are allowed during the working days until one (01) week before the deadline for the submission of bids. The parties, who intend to visit the site, shall inform CPC in advance, with their names and NIC numbers/Passport numbers, so that CPC could arrange a site

		visit, through the Refinery Manager of CPC. The foreigners supposed to attend the visit shall furnish business visas. The cost of such visits shall be at the bidders' expense.
<b>Contract is subjected to price adjustment for fluctuation of prices</b>	13.4	The Contract is not subject to price adjustment in accordance with Clause 13.4 of Section-I: Instructions to Bidders.
<b>Currency of bid</b>	14.1& 28.1	For evaluation and comparison of Bids under Clause 29, rates and prices quoted in foreign currencies by the bidders will be converted to Sri Lanka Rupees using selling exchange rate published by Central Bank of Sri Lanka, on the date of closing of Bids.
<b>Bid validity period</b>	15.1	The Bid shall be valid up to <b>90 Days</b> from the date of bid opening. <b>(30<sup>th</sup> Sept. 2019)</b>
<b>Amount of Bid security</b>	16.1& 16.7	The amount of Bid security shall be <b>1.5% of the quoted sum.</b>
<b>Validity of Bid security</b>	16.2	The Bid security shall be valid up to <b>120 Days</b> from the date of bid opening <b>(30<sup>th</sup> Oct. 2019)</b>
<b>Pre-Bid meeting</b>	17.1	Pre-Bid meeting has been scheduled at <b>10.00 hrs</b> on <b>18<sup>th</sup> June 2019</b> The venue of the meeting will be held at the below address, Refinery Division, Ceylon Petroleum Corporation Conference Hall, P.O. Box 11, Sapugaskanda, Kelaniya, Sri Lanka
<b>Format and Singning of Bid</b>	18.1  18.2	Duplicate bids shall be delivered 'Original' and a 'copy' as described in Clause 19.  The 'Original' and the 'copy' of Bid shall be signed by a person/persons duly authorized to sign on behalf of the Bidder in all pagers of the Bid where entries or amendments have been made shall be initialed by the person or persons signing the bid.
<b>Sealing and marking of Bids</b>	19.2	The Employer's address for the purpose of Bid submission is; Chairman, Departmental Standard Procurement Committee (DSPC)Minor, Refinery Division Ceylon Petroleum Corporation, P.O. Box 11, Sapugaskanda,

		<p>Kelaniya, Sri Lanka</p> <p>Contract name: “To carry out independent valuation for refinery plant equipment at Sapugaskanda Oil Refinery and substations of Ceylon Petroleum Corporation, Sri Lanka.”</p> <p>Contract No: <b>REF-PD/WORKS/04/2019</b></p>
<b>Deadline for submission of Bids</b>	20.1	<p>The deadline for submission of Bids shall be at <b>14.00 hrs</b> on <b>02<sup>nd</sup> July 2019</b></p> <p>Address for submission of Bids: Chairman, Departmental Standard Procurement Committee (DSPC)Minor, Refinery Division Ceylon Petroleum Corporation, P.O. Box 11, Sapugaskanda, Kelaniya, Sri Lanka</p>
<b>Clarification of Bids</b>	25.1	<p>Employer’s address for the purpose of clarification is;</p> <p>Name: Deputy Refinery Manager(Technical Service)</p> <p>Address: Refinery Division, Ceylon Petroleum Corporation, P.O. Box 11, Sapugaskanda, Kelaniya, Sri Lanka Tel. +94-11-2400427 or +94-765449145 Fax: +94-11-2400436 E-mail: <a href="mailto:refmanager@sltnet.lk">refmanager@sltnet.lk</a></p>
<b>Correction of errors</b>	(27.1) c	Sub-Clause 27.1(c) is not modified.
	(27.1) d	Sub-Clause 27.1(d) is applicable.

<p><b>Amount of Performance Security</b></p>	<p>34.2</p>	<p>Amount of Performance Security required is <b>10%</b>of the lump sum Contract price, issued by a reputed commercial bank operating in Sri Lanka, or a foreign bank with the guarantee confirmed by a recognized commercial bank operating in Sri Lanka, and approved by the Central Bank. The form acceptable is the one that given in the Section V of this document.</p> <p>The validity of Performance Security guarantee shall be 28days beyond the date of completion the job.</p>
<p><b>Adjudicator proposed by Employer</b></p>	<p>37.1</p>	<p>The Adjudicator proposed by the Employer is to be nominated.</p> <p>If the Bidder disagrees with the proposal of the Employer for the Adjudicator proposed, then the Adjudicator shall be appointed by the Institute for Construction Training and Development (ICTAD)</p> <p>Fees and types of reimbursable expenses to be paid to the Adjudicator shall be on a case to case basis and shall be shared equally by the Contractor and the Employer.</p>



### Section III

#### **Conditions of Contract (CoC)**

Conditions of contract will be applicable for this bid is given in Section III of the Standard Bidding Document for Procurement of Works, ICTAD publication NO: ICTAD/SBD/01, Second Edition (Revised), January 2007, published by the Institute for Construction Training and Development (ICTAD)

Conditions of contract shall be read in conjunction with Contract Data

**All conditions and the content of ICTAD Publication No. ICTAD / SBD / 01(Second Edition(Revised) – January 2007& amendments thereto) is valid for this bid and / or contract**, unless otherwise amended, substituted or added by “Section II -Bidding Data & Section IV-Contract Data” of this document.

**Conditions of Contract** shall be read in conjunction with the “Section II - Bidding Data & Section IV-Contract Data” in this Document.

**Note:**

The copies of relevant pages of ICTAD Document referred above will be issued with this Document.

If required, the bidders are advised to get further information from The Institute for Construction, Training and Development (ICTAD),“Sausiripaya”, No.123, Wijerama Mawatha, Colombo 7.

Section IV

Contract Data

<p><b>Clause 1</b></p>	<p>Employer: <b>Ceylon Petroleum Corporation</b>  Address: <b>No. 609, Dr. Danister de Silva Mawatha, Colombo 09, Sri Lanka</b></p> <p>Engineer: <b>Deputy Refinery Manager (M &amp;P)</b>  Address: <b>Refinery Division, Ceylon Petroleum Corporation, Sapugaskanda, Kaleniya, Sri Lanka</b></p> <p>Adjudicator: “is the person appointed in accordance with Sub-Clause 25 jointly by the Employer and the Contractor or by the Institute for Construction Training and Development (ICTAD) as the case may be, for determination of the disputes in the first instance, as provided for in Clause 24 &amp; 25 in COC.”</p> <p>Works: “are what the Contract requires the Contractor to execute and furnish required deliverables to the Employer, as defined in Section VI: Employer’s Requirements”.</p> <p>Temporary Works: “are works designed, constructed, installed and removed by the Contractor that are needed for execution of the Works.”</p> <p>Start Date: Start Date shall be within fourteen (14) days from the date of the Letter of Acceptance.</p> <p>Intended Completion Date: Six (06) months (180 calendar days) from the Start Date for the Valuation</p> <p>Delete the definition “Bills of Quantities” and insert the following;  <b>Schedule of Prices</b> means the priced and completed breakdown of the Fixed Lump Sum Contract Price forming part of the bid.</p>
<p><b>Sub-Clause 2.3</b></p>	<p>Delete “Bills of Quantities”</p>
<p><b>Sub-Clause 6.1</b></p>	<p>All communications shall be in the English language.</p>
<p><b>Sub-Clause 8.1</b></p>	<p>Delete</p>
<p><b>Sub-Clause 13.1</b></p>	<p>At his own decision</p>
<p><b>Sub-Clause 16.1</b></p>	<p>The Contractor shall execute the Works in accordance with the Specifications and Drawings and Engineer’s instructions.</p>
<p><b>Sub-Clause 17.1</b></p>	<p>The Intended Completion Date is six (06) months <b>(180 calendar days)</b> from the Start Date.</p>
<p><b>Clause 18</b></p>	<p>Replace the content of Sub-Clause 18.1 with the following:  “Any additional data intended to be used other than provided by the Employer will have to be informed to the Employer in advance”.</p> <p>Delete Sub-Clause 18.2 to 18.5</p>

<b>Sub-Clause 20.1</b>	Delete
<b>Sub-Clause 21.1</b>	Delete
<b>Sub-Clause 22.1</b>	Replace the content of Sub-Clause 22.1 with the following: “The employer shall provide access of all parts of the plant to the Contractor on request.
<b>Sub-Clause 27.3</b>	The Contractor shall submit an update of the program monthly to the Employer.
<b>Sub-Clause 27.4</b>	Delete
<b>Clause 28</b>	Delete the entire clause and include the following: “An extension to the Completion Date will be given if the Engineer orders the contractor to delay the start or progress of any activity within the Works as per clause 30.”
<b>Clause 29</b>	Delete
<b>Clause 32</b>	Delete
<b>Sub-Clause 34.1</b>	Delete
<b>Clause 37</b>	Delete the Clause 37: Bills of Quantities and Insert the following: 37. Schedule of Prices 37.1 The Schedule of Prices shall contain items for the Works to be done by the Contractor, as specified in Schedule IX. 37.2 The Schedule of Prices is used to calculate the Initial Contract Price. The Contractor is paid for the work done at the price in the Schedule of Prices for each item.
<b>Clause 38</b>	Delete
<b>Clause 39</b>	Delete the entire Clause 39 and insert the following: “Initial Contract Price shall not be changed under any circumstance, such as changes in salaries & wages for employees and other inputs to the Works”.
<b>Clause 40</b>	Delete
<b>Clause 41</b>	Delete
<b>Clause 42</b>	Replace Clause 42 with the following. “The Contractor shall submit the Engineer all documents pertaining to the completion of each milestone and the Engineer will issue the payment certificate after accepting the documents submitted.”
<b>Sub-Clause 43.1</b>	0.5% over the interest rate of the relevant currency.
<b>Sub-Clause 43.2</b>	Delete
<b>Clause 44</b>	Delete
<b>Clause 45</b>	Delete
<b>Sub-Clause 46.1</b>	Delete

<b>Clause 47</b>	Delete the entire Clause 47 and insert the following: “Initial Contract Price shall not be adjusted under any circumstance, such as changes in salaries & wages for employees and other inputs to the Works.”
<b>Clause 48</b>	Delete.
<b>Sub-Clause 49.1</b>	Liquidated damages shall be 1% of the Initial Contract Price per week up to a maximum of 10% of the Initial Contract Price.
<b>Sub-Clause 49.2</b>	Delete
<b>Sub-Clause 50.1</b>	Delete
<b>Sub-Clause 51.1</b>	Advance payment is maximum <b>10%</b> of the Initial Contract Price.
<b>Sub-Clause 51.2</b>	Delete
<b>Sub-Clause 51.3</b>	Certified value of work reaches 95% of the Initial Contract Price.
<b>Clause 52</b>	Delete Sub-Clause 52.1 and insert following two Sub-Clauses. 52.1 Within fourteen (14) days of receipt of the Letter of Acceptance, the Contractor shall furnish to the Employer an unconditional Performance Security equivalent to <b>10%</b> of the Initial Contract Price in the Standard Form given under section V. The performance security shall be valid until a 28 Days beyond the Intended Completion Date as specified under Clause 17.1. 52.2 The performance security shall be issued by a recognized commercial Bank in Sri Lanka or a foreign bank with the guarantee confirmed by a recognized commercial bank operating in Sri Lanka, and approved by the Central Bank of Sri Lanka and payable to the CPC on demand in a sum specified in the Bidding Data.
<b>Clause 53</b>	Delete
<b>Clause 54</b>	Delete
<b>Clause 56</b>	Delete
<b>Clause 58</b>	Delete
<b>Sub-Clause 59.2(c)</b>	The term “monthly payment” to be replaced by “milestone payment”
<b>Sub-Clause 59.2(f)</b>	Delete
<b>Clause 63</b>	Delete
<b>Clause 64</b>	Delete

Section V

Standard Forms

- **Bid Security Guarantee**
- **Form of Letter of Acceptance**
- **Form of Agreement**
- **Form of Performance Guarantee**
- **Form of Advance Payment Guarantee**

**FORMAT FOR BID SECURITY GUARANTEE**

*[This Bank Guarantee form shall be filled in accordance with the instructions indicated in brackets]  
.....[insert issuing agency’s name and address of issuing branch or office].....*

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

- (a) has withdrawn its Bid during the period of bid validity specified; or*
- (b) does not accept the correction of errors in accordance with the Instructions to Bidders (hereinafter “the ITB”) of the 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)]*

**FORM OF LETTER OF ACCEPTANCE**  
*[Letter heading paper of the procuring entity]*

..... [date]

To: ----- *[name and address of the Contractor]* -----

This is to notify you that your bid dated ----- *[insert date]* for carrying out -----  
--- *[name of the Contract and identification number]* for the Contract price of -----*[name of*  
*currency]*-----*[amount in figures and words]* as corrected in  
accordance with Instructions to Bidders and/ or modified by a Memorandum of Understanding, is  
hereby accepted.

You are hereby instructed to precede with the execution of the said Works in accordance with the  
Contract documents.

The Commencement Date shall be: .....*(fill the date as per Conditions of Contract)*.

The amount of Performance Security is :..... *(fill the amount as per of Conditions of*  
*Contract)*.

The Performance Security shall be submitted on or before ..... *(fill the date as per*  
*Conditions of Contract)*.

Authorized Signature : .....

Name and title of Signatory : .....

Name of Agency : .....

**FORM OF AGREEMENT**

**This Agreement** made the ..... [day] of ..... [month] 20..... [year], between ..... [name and address of Employer] (hereinafter called and referred to as “the Employer”),of the one part, and ..... [name and address of Contractor] (hereinafter called and referred to as “the Contractor”), of the other part:

**Whereas** the Employer desires that the Contractor execute ..... [name and identification no of Contract](Hereinafter called and referred to as “the Works”) and the Employer has accepted the Bid by the Contractor for the execution and completion of such Works and remedying of any defects therein.

**The Employer and the Contractor agree as follows:**

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Contract.
2. In consideration of the payments to be made by the Employer to the Contractor as indicated in this Agreement, the Contractor hereby covenants with the Employer to execute and complete the Works and remedy any defects therein in conformity in all respects with the provisions of the Contract.
3. The Employer hereby covenants to pay the Contractor in consideration of the execution and complete the Works and remedy any defects therein, the Contract Price or such other sum as may become 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 caused this Agreement to be executed the day and year aforementioned in accordance with laws of Sri Lanka.

.....  
.....

**Authorized signature of Contractor**

**Authorized signature of Employer**

COMMON SEAL

COMMON SEAL

In the presence of  
Witnesses :

1. Name and NIC/ Passport No. ....  
Signature .....  
Address .....

2. Name and NIC/Passport No. ....  
Signature .....  
Address .....



**FORM OF 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]* (hereinafter called "the Contractor") has entered into Contract No. ----- *[reference number of the Contract]* dated --- ----- with you, for the execution 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 date of completion of defects liability period]* and any demand for payment under it must be received by us at this office on or before that date.

\_\_\_\_\_  
*[signature(s)]*

**FORM OF ADVANCE PAYMENT GUARANTEE**

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

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

**Date:** -----

**ADVANCE PAYMENT GUARANTEE No.:**-----

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

Furthermore, we understand that, according to the conditions of the Contract, an advance payment in the sum ----- *[amount in figures]* ( -----) *[amount in words]* is to be made against an advance payment guarantee.

At the request of the Contractor, we ----- *[name of issuing 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 Contractor is in breach of its obligation under the Contract.

The maximum amount of this guarantee shall be progressively reduced by the amount of the advance payment repaid by the Contractor.

This guarantee shall expire on ..... *[ Insert the date, 28 days beyond the expected expiration date of the contract]*

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

.....  
*[signature(s)]*

## Section VI

### Employer's Requirement

#### **TERMS OF REFERENCE TO CARRY OUT INDEPENDENT VALUATION FOR REFINERY PLANT EQUIPMENT AT SAPUGASKANDA OIL REFINERY AND SUBSTATIONS OF CEYLON PETROLEUM CORPORATION.**

#### **1. BACKGROUND**

The Ceylon Petroleum Corporation (CPC) is a state owned corporation established by Act No. 28 of 1961 and as amended by Act No. 26 of 2003 is entrusted with the responsibility for providing an uninterrupted supply of petroleum fuels to the nation. CPC engages in importation, refining, distribution and selling of petroleum products throughout the island. The key petroleum products business in Sri Lanka is duopolistic and CPC owns about 95% of the market share.

About 35 to 45% of country's present demand is met by the CPC oil refinery at Sapugaskanda and the balance is imported as finished products by both CPC and LIOC. CPC refinery was originally designed to process Iranian Light crude oil at a capacity of 38,000 bbl/d. Later the plant capacity was increased in 1979 up to 50,000bbl/d through a debottlenecking project and the operating flexibility was increased to enable to process crude oils that have higher amounts of Middle Distillates through a revamping project in 1992.

Several types of crude oil such as Iranian Light, Arabian Light, Upper Zakum, Miri Light, Oman and Murban etc. have been processed at the refinery from time to time as a whole crude or as a mix of two or three types of crude oils. At present, the refinery operates with Murban crude oil. The present capacities of the refinery process units and the product slate is given below in table 1 & 2 respectively.

Table VI.1: Present capacities of CPC Refinery process units

Process Unit	Unit Tag	Capacity	Location category(Note01)
Crude Distiller	01	50,000 bbl/d	AreaI
Naphtha Hydrotreater	02	9,100 bbl/d	AreaIII
Platformer	03	5,400 bbl/d	AreaIII
Gas oil Hydrotreater	04	2,100 bbl/d	AreaII
Visbreaker	05	12,500 bbl/d	AreaII
L.P.G. MeroxTreater	06	700 bbl/d	AreaI
Gas oil Hydrotreater	07	7,200 bbl/d	AreaII
Vacuum Distiller	08	2,360 bbl/d	AreaI
Bitumen Blowing unit	09	50,000 mt/year	AreaI
Kerosene MeroxTreater	15	8,050 bbl/d	AreaI

Table VI.2: CPC refinery product slate with Murban crude oil  
 Note1-Physical locations of the process unit in the plant area.

Unit	mt/d	%wt
Petrol (92 RONC)	612	10.5
Diesel (S - 3000 ppm)	1955	33.6
Kerosene/Aviation Turbine Fuel (Jet A1)	745	12.8
Fuel oil	1618	27.8
L.P.G.	60	1.0
Chemical Naphtha	477	8.2

Refinery process units are divided in to three Areas (Namely Area I, Area II, and Area III) based on geographical location (refer equipment list for each area attached). In addition, refinery consist of a power plant, utilities section which supplies electricity, water, steam, and instrument air etc., required for plant operation. Also, around 70 Nos. of tanks (to storage of crude oil, finished and intermediate products) and API are located in OSBL (Outside the battery limit) area of the refinery

The Sapugaskanda terminal is located adjacent to the refinery premises which handle finished product storage and distribution. Orugodawaththa tank farm consist of 04 crude oil tanks which are used to stock crude oil as an intermediate storage located between refinery and SPBM(Single point buoy mooring ). The water requirement for the refinery is fulfilled by the water intake station, located near Kelani River which is around 3.2 km away from the refinery. Crude oil is pumped to CPC storages via SPBM located in deep sea around 9.6 Km away from Colombo harbor. Crude oil and finished products are transferred between these substations and Kolonnawa terminal via underground piping system.

## 2. INTRODUCTION

CPC intended to evaluate all its plant equipment and accessories to assess the current asset value of refinery and relevant substations. The scope includes valuation of all process units of Refinery including boilers, steam turbines, diesel generators, Liquefied Petroleum Gas storage vessels, Crude Oil and other storage tanks with transfer pipelines at Sapugaskanda and substations listed below

- a) Crude oil storage tank farm at Orugodawaththa.
- b) Sapugaskanda distribution terminal.
- c) Water Intake at Kelaniya

In addition , valuation of following infrastructure of CPC shall be done.

- a) Single point buoy Mooring (SPBM) located at sea, 10km away from Colombo harbor
- b) Crude oil transfer line(24") from SPBM via Colombo harbor and Orugodawaththa intermediate storage facility to refinery. (Approximately 12.1Km ground length and 9.6 Km submarine length).
- c) 6",8",& 12"product transfer line from refinery to Kolonnawa distribution terminal.(Approximately 10.2 Km)
- d) Product transfer line and associated infrastructure between refinery and Sapugaskanda distribution Terminal.

The valuation should cover all the items given in scope of works and contractor shall provide comprehensive valuation report which is accurate and comply with international standards.

### **3. OBJECTIVES**

1. To carry out a comprehensive valuation for refinery plant equipment at Sapugaskanda Oil Refinery and substations of CPC.
2. To provide a comprehensive valuation report complying with international standards which reflect actual value of the equipment.

### **4. SCOPE OF CONTRACTOR**

Valuation shall be completed within a period of 6 months. And the contractor to carry of valuation and submit a final report that comprises of but not limited to the followings.

- The report shall present the valuation breakdown for each plant units and equipment clearly.
- The basis and standard incorporated for the valuation should be explained.
- Conditions and any deviations in the valuation should be clearly mentioned.
- 3 Nos of hard copies and a digital copy of the report to be submitted.

The project deliverables shall meet following major categories or project milestones.

- 1) Carry out valuation of plant equipment in Area I and prepare comprehensive valuation report.
- 2) Carry out valuation of plant equipment in Area II/III and prepare comprehensive valuation report.
- 3) Carry out valuation of equipment in Utilities area and prepare comprehensive valuation report.
- 4) Carry out valuation of equipment in OSBL and API area in the refinery and prepare comprehensive valuation report.
- 5) Carry out valuation of water Intake which is around 5 km away from refinery and prepare comprehensive valuation report.
- 6) Carry out valuation of Sapugaskanda terminal and prepare comprehensive valuation report.
- 7) Carry out valuation for Orugodawaththa Tank farm which is around 12 km away from refinery and prepare comprehensive valuation report.
- 8) Carry out valuation for crude oil/ product pipe line across Colombo harbor ,Kolonnawa terminal , Orugodawaththa tank farm and refinery , Crude SPBM(buoy) and under water pipe lines of Ceylon Petroleum Corporation.

### Valuation guidelines, standards and conditions.

- The valuation methodology of above project should be based on guidelines on valuation of property and plant equipment (PPE) and biological assets for financial reporting purposes.
- Overall valuation process should be based on standard stipulated by international valuation standard- valuation for financial reporting (IVS-300) and Sri Lanka accounting standards- fair value Measurement (SLFRS 13) and property and plant equipment LKAS 16.
- Valuation team shall follow the guidelines in IVS 101–scope of work.
- The valuation report shall comply with the guidelines of IVS 103.
- Contractor will have to carry out the valuation by using the readily available data at CPC (drawings and specifications) and It is the contractor’s responsibility to assess and value the equipment for which detailed information are not available at CPC.
- Contractor may carry out a rough data survey regarding the adequacy of data for valuation available at CPC during the pre-bid meeting or prior to submission of bid. (CPC will arrange such visit on the request by bidder).
- Project schedule
  - A detailed work schedule for carrying out valuation shall be given in advanced for CPC approval.
  - The resources and staff allocation should be clearly mentioned and the qualification and other details of project team should be given in advanced for CPC approval.
- The quoted cost for the contract may cover all the cost of local and foreign tour, internal transportation, accommodation and meals of the valuation team and none of these will be CPC responsibility.
- Summary of the major equipment list is given in attachment 1.

This list to be used as a guideline for valuation and some items/equipment may not be included in the list and those to be identified by site observation. Anyhow, contractor is responsible for valuating all the equipment situated in given area whether they have been listed or not.

## **5. KEY DELIVERABLES**

Comprehensive valuation report for refinery plant equipment at Sapugaskanda oil refinery and substations of Ceylon petroleum corporation, Sri Lanka

The project deliverables shall meet following major deliverables or project milestones.

- 1) Deliverable No01  
Comprehensive valuation report of equipment located in plant area i.
- 2) Deliverable No02  
Comprehensive valuation report for equipment located in plant area ii/iii and.
- 3) Deliverable No03  
Comprehensive valuation report for equipment located in Utilities area.
- 4) Deliverable No04  
Comprehensive valuation report for equipment located in OSBL and API area
- 5) Deliverable No05

Comprehensive valuation report for equipment located in water Intake which is around 5km away from refinery.

6) Deliverable No06

Comprehensive valuation report for equipment located in Sapugaskanda terminal .

7) Deliverable No07

Comprehensive valuation report for equipment located in Orugodawaththa Tank farm which is around 12km away from refinery.

8) Deliverable No08

Comprehensive valuation report for crude oil/ product pipe line across Colombo harbor , Kolonnawa terminal , Orugodawaththa tank farm , Crude SPBM(buoy) and under water pipe lines of Ceylon Petroleum Corporation.

9) Deliverable No09

Final comprehensive valuation report which shall be a compilation of above mentioned 8 volumes conforms to international standards. This shall include 3 hard copies and a digital copy.

Section VII

Form of Bid

**FORM OF BID**

**To:** The Chairman  
Departmental Standard Procurement Committee (Major)  
Ceylon Petroleum Corporation  
Refinery Division  
P.O. Box 11,  
Sapugaskanda,  
Kelaniya  
SRI LANKA

**From:** .....  
.....  
.....

- A-1 Having familiarized ourselves with the formal request for quotation and Conditions of contract, scope of works to perform as a contractor, **“To carry out independent valuation for refinery plant equipment at Sapugaskanda Oil Refinery and substations of Ceylon Petroleum Corporation, Sri Lanka.”**, we offer to complete the whole of said services in conformity with the said document.
- A-2 Unless and until a formal agreement is prepared and executed this Bid proposal together with your written acceptance thereof shall constitute a binding contract with us.
- A-3 We understand you are not bound to accept the lowest or any Bid proposal you may receive.
- A-4 The Bid proposal we are offering is complete and fulfilled the requirements discussed in the specifications and the Bid Documents.
- A-5 We agree to abide by this Bid proposal for the period of ninety (90) days from the date of opening of the same Bid. Conditions and prices quoted shall remain binding upon us and may be accepted at any time before the expiration of the period.
- A-6 We agree to be bound by the Bid document, Conditions of Contract, Employer’s requirements and Performance Bond.
- A-7 We affirm that work will commence within seven days after we receive notice of the CPC’s acceptance of our Bid Proposal and would be performed throughout the specified time Schedule.



A-8 We offer the lump sum fixed price of US Dollars / EURO as indicated in the price proposal enclosed.

For complete works of the project **“To carry out independent valuation for refinery plant equipment at Sapugaskanda Oil Refinery and sub stations of Ceylon Petroleum Corporation, Sri Lanka”**, as detailed out in this Bid document and details of the lump sum price is in the schedule of prices as given. We agree that it is open to the Departmental Standard (Minor) Procurement Committee to reject this offer or to accept it in part or whole. In case part of the Bid proposal is accepted, the prices given in the schedule of prices shall individually and collectively remain firm and binding.

Dated this ..... day of .....2019.

Signature ..... in the capacity of .....  
..... duly authorized to sign Bid document for and on behalf of:

Name .....

Address .....  
.....  
.....

Witnesses:

1. Signature: .....	2. Signature: .....
Name: .....	Name: .....
.....	.....
Address : .....	Address: .....
.....	.....
.....	.....

## Section VIII

### Schedules

#### **Schedule of Payment**

Schedule of payment is as follows.

1. An advance payment up to a maximum of 10% of the accepted contract amount, will be released within twenty one (21) days upon submission of an acceptable bank guarantee issued by a recognized commercial Bank in Sri Lanka or a foreign bank with the guarantee confirmed by a recognized commercial bank operating in Sri Lanka, and approved by the Central Bank of Sri Lanka and payable to the CPC on demand, and upon submission of the Performance Security.
2. Progress/part payments will be paid on the basis of completion of key deliverables in Section VI pertaining to the valuation of refinery plant equipment at Sapugaskanda Oil Refinery and attached sub stations of Ceylon Petroleum Corporation, Sri Lanka..
3. First progress payment,  
25% of the total project cost will be paid upon submission of deliverable number 1 and 2 given in Section VI.
4. Second progress payment,  
25% of total project cost will be paid upon submission of deliverable number of 3 and 4 given in Section VI.
5. Third progress payment,  
20% of total project cost will be paid upon submission of deliverable number of 5 and 6 given in Section VI.
6. Fourth progress payment,  
20% of total project cost will be paid upon submission of deliverable number of 7 & 8 given in Section VI.
7. Final payment,  
10% of total project cost will be paid upon submission of final comprehensive report given in Deliverable 9.
8. In case of advance payment, 20% from each of progress/part payment will be deducted until the full amount of advance payment is recovered.
9. Advance payment bank guarantee will be released immediately after the full amount of the advance payment is recovered from milestone payments or settled by the Contactor in advance. In the event of settling the remaining amount of the advance payment before it gets recovered from milestone payments as described above, the percentage of remaining milestone payments will be adjusted accordingly.

**Schedule A1 – QUALIFICATION INFORMATION***(to be completed and submitted by the bidder with the Bid)*

<b>Work Program</b>	<i>(attach, as annex)</i>
<b>Legal Status (Sole Proprietor, Partnership, Company, etc.)</b>	<i>(attach a certified copy of registration, as annex)</i>
<b>Authentication of Signatory</b>	<i>(attach a certified copy of Power of Attorney, as annex)</i>
<b>Audited financial statements of the company for past three years</b>	<i>(attach certified copies, as annex)</i>
<b>Evidence for adequacy of working capital</b>	<i>(attach copies of supporting documents)</i>
<b>Total monetary value of Refinery and Petrochemical plant valuation works performed for each of the last 3-years</b>	Year 2016 Year 2017 Year 2018  <i>(Attach certified copies of Certificate of completion etc.)</i>
<b>Works of similar nature and complexity completed during last 10 years</b>	<i>(attach as annex using Format)</i>
<b>Qualification and experience of Key members of the valuation Team proposed for the contract</b>	<i>(attach as annex using Format)</i>
<b>Bank Reference Letter from two first class bank</b>	<i>(attach as annex)</i>
<b>Arbitration / Litigation history</b>	<i>(attach as annex)</i>

**Schedule A2 – Preliminary Information**

For the Bidder

Description	Information <i>(to be filled by the Bidder)</i>	Remarks
<b>Name, Address and Contact details</b>		
Names and addresses		
Contact Details	Provide contact details such as Telephone, Facsimile, E-mail etc.	
<b>Legal status</b>		
Place of registration		Provide certified copies and label them as attachments
Principal place of business		
Written power of attorney of the signatory to the Bid	Provide original or certified copy of the Power of Attorney attested by a Notary and label them as attachment	

**Schedule A3 – Preliminary Information**

For Joint Ventures, each joint venture partner shall furnish information separately

Description	Information <i>(to be filled by the Bidder)</i>	Remarks
<b>Legal Status</b>		
If a Joint Venture, names and addresses of Joint venture partners	1. .... 2..... 3.....	Provide a certified copy of the Joint Venture Agreement. (If the JV agreement is not signed, the Letter of Intent to enter into an agreement together with the draft JV agreement shall be submitted.)
If a joint venture, name of the Lead Partner		
<b>Name (Lead Partner)</b>		Provide certified copies and label them as attachments
Legal status		
Place of registration		
Principal place of business		
Written power of attorney of the signatory to the Bid	Provide original or certified copy of the power of attorney attested by a Notary and label them as attachment	
<b>Name (Partner 2)</b>		Provide certified copies and label them as attachments
Legal status		
Place of registration		
Principal place of business		
Written power of attorney of the signatory to the Bid	Provide original or certified copy of the power of attorney attested by a Notary and label them as attachment	
<b>Name (Partner 3)</b>		Provide certified copies and label them as attachments
Legal status		
Place of registration		
Principal place of business		
Written power of attorney of the signatory to the Bid	Provide original or certified copy of the power of attorney attested by a Notary and label them as attachment	

**Schedule A4 – Annual Turn-over Information**

<b>Year</b>	<b>USD/USD equivalent</b>
2016	
2017	
2018	
Average Annual Turnover	

**Schedule A5 – Adequacy of Working Capital**

Provide documentary evidence and label them as attachments

<b>Financial Resources</b>		
<b>No.</b>	<b>Source of Financing</b>	<b>Amount (USD/USD equivalent)</b>
1		
2		
3		
4		

**Schedule A6 – Financial Situation and Performance**

Type of Financial Information	Historic information for previous five (5) years, (amount in USD/USD equivalent)				
	Year 1	Year 2	Year 3		
<b>Statement of Financial Position (Information from Balance Sheet)</b>					
Total Assets (TA)					
Total Liabilities (TL)					
Total Equity/Net Worth (NW)					
Current Assets (CA)					
Current Liabilities (CL)					
Working Capital (WC)					
<b>Information from Income Statement</b>					
Total Revenue (TR)					
Profits Before Taxes (PBT)					
<b>Cash Flow Information</b>					
Cash Flow from Operating Activities					
Cash Flow from Investing Activities					
Cash Flow from Financing Activities					

Note: Based on the audited financial statements, amount of Liquid Assets and Working Capital will be calculated using the following formula;

Current Assets [including Inventory] less Current Liabilities

**Schedule A7 – Valuation experience of similar nature works completed within live /in operation Refineries, petrochemical plants and other industries during the last five years**

Use separate sheets for

**Heading :**

.....

Year/ duration	Employer (include name, address and contact details)	Narrative Description of works (include reference to Performance Certificate or Taking Over Certificate, Original & Actual duration of the works, Place of work, etc.)	Project Cost/ USD	Contractor's Responsibility (%)
		Total		

**Notes:**

Bidders to attach certified copies of Performance Certificate or Taking Over Certificate and any other relevant supportive documents separately along with this schedule.



**Schedule A8– Qualifications and Experience of Key Members of the Valuation Team  
Proposed**

For the Bidder /for joint ventures, each joint venture partner shall furnish information separately

**Professional Staff**

Position	Name	Education & Professional Qualifications	Post Qualification Experience	Experience related to Valuation in similar nature of works.	Responsibilities & Job description of this project in brief

**Notes:**

1. Bidder’s Company shall maintain adequate and qualified staff at the site, facilitating CPC to coordinate valuation works as and when required. CPC has the right to reject the services of staff members during the contract period, who do not perform the assigned tasks to the satisfaction of CPC. Prior approvals from CPC shall be obtained to deploy new employees who are not specified in the bid proposal. However contactor shall take every endeavor to make such replacements with similar or better replacement at least two (02) weeks prior notice. The substitute key personnel shall work at least two weeks overlap period with the outgoing key personnel.
2. Bidders to attach the CVs of the proposed Professional and Technical staff in order as per the list. Additional CVs also can be proposed separately.



## Section IX

**SCHEDULE OF PRICES**

**To carry out independent valuation for refinery plant equipment at Sapugaskanda Oil Refinery of Ceylon Petroleum Corporation, Sri Lanka**

Item No	Description	Price (Currency.....)
	1) Provide comprehensive valuation report of equipment in plant area 1.	
	2) Provide comprehensive valuation report for equipment in plant area II/III and.	
	3) Provide comprehensive valuation report for equipment in OSBL and API area in refinery	
	4) Provide comprehensive valuation report for equipment in Utilities area.	
	5) Provide comprehensive valuation report for equipment in water Intake which is around 5km away from refinery.	
	6) Provide comprehensive valuation report for equipment in Sapugaskanda terminal	
	7) Provide comprehensive valuation report for equipment in Orugodawaththa Tank farm which is around 12km away from refinery	
	8) Provide comprehensive valuation report for crude oil/ product pipe line across Colombo harbor, Kolonnawa terminal, Orugodawaththa tank farm ,Crude SPBM(buoy) and under water pipe lines of Ceylon Petroleum Corporation.	
	8) To provide the comprehensive final valuation report which is complying with international standards together with three hard copies and a digital copy.	
	9) Other chargers If any	



**COMPLIANCE / DEVIATIONS SHEET (GENERAL)**

1. Please mark "✓" if complied with the tender requirement or mark "X" if there is any deviation and indicate the deviation in the cage provided.

	<b><i>Specification / Condition</i></b>	<b><i>Complied</i></b>	<b><i>Deviations if any</i></b>
01	<i>Offer for all items</i>		
02	<i>Bid Guarantee &amp; its Validity</i>		
03	<i>Offer Validity</i>		
04	<i>Copy of business registration and public contract registration</i>		
05	<i>Schedule of Prices (Section ix) Duly Filled Stamped, Signed &amp; Forwarded</i>		
06	<i>Agree With Payment Terms &amp; Other Requirements</i>		
07	<i>Documentary proof for relevant valuation experience</i>		
08	<i>Submission of audited financial reports for past three years</i>		
09	<i>Submission of , Relevant agreement and authorization for joint venture (if relevant)</i>		
10	<i>Submission of experience and qualification of the valuation team.</i>		
11	<i>Agreed With Delay Penalty Terms - as per bidding data in Section ii</i>		
12	<i>If relevant, vat registration No. Given</i>		
13	<i>Name and address of the local agent (If any) and the authorization documents.</i>		
14	<i>Submission of project schedule /activity plan</i>		

.....  
Company stamp

.....  
Signature of the bidder.

Name & Address of the bidder:.....  
.....  
.....