

1. INSTRUCTIONS TO BIDDERS

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THE GOVERNMENT OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

**MINISTRY OF WATER SUPPLY
NATIONAL WATER SUPPLY AND DRAINAGE BOARD**

SALE OF REDUNDANT VEHICLES & EQUIPMENT

INSTRUCTIONS TO BIDDERS

A. GENERAL

1. Scope of Bids

Procurement Committee on behalf of the National Water Supply and Drainage Board (hereinafter called the “Board”) invites bids for the Sale of Redundant Vehicles & Equipment. Clerical

2. Eligibility & Qualification of Bidders

- (a) The bidder shall not be disqualified/ Blacklisted by NWSDB/ NPA.
- (b) The bidder shall not be an employee of NWSDB.
- (c) The bidder shall have the financial capacity to purchase the items quoted and shall justify his financial capacity by means of cash or pass book of his account before obtaining the Bidding documents from NWSDB.

3. Cost of Bidding

The Bidder shall bear all costs associated with the preparation and submission of his Bid in compliance with Bid requirements and the Board will in no case be responsible or liable for these costs, regardless of the conduct or outcome of the bidding process.

4. Inspection of Items

- 4.1 The bidder shall inspect the items put up for sale at the location stated in the **Bidding Data** during working days between 10.00 hrs to 15.00 hrs until closing date of bid under the prior approval of the NWSDB offers stated in **Bidding Data**.
- 4.2 The redundant Vehicles & Equipment are arranged in lots for inspection.

B. BIDDING DOCUMENT

5. Contents of Bidding Document

5.1 The Bidding document comprises the following sections of the documents and any addenda that will be issued in accordance with clauses 7 hereof.

SECTION

Page i	Document Issuance Certificate
Page ii	Table of Contents
Page iii	Check list of Submissions
Page iv	Invitation for Bids
1	Instructions to Bidders
2	General Conditions of Contract
3	Form of Bid
4	Bidding Data and Contract Data
5	Bills of Quantities
6	Specimen Forms Bid Security Letter of Acceptance

5.2 The set of Bidding document shall be purchased by the prospective Bidders from the address as stated in the **Bidding data**.

5.3 The Bidder is expected to examine all the sections of the set of Bidding Document. Failure to furnish all information required by the Bidding documents, or submission of a Bid which is not substantially responsive will be at the Bidder's risk and may result in rejection of his Bid.

6. Clarification of Bidding Documents

A prospective Bidder requiring any clarification of the Bidding documents may notify the Procurement Committee in writing or by facsimile at the address indicated in the Invitation for Bids. The Procurement Committee will respond in writing or by facsimile to any request for clarification, which it receives earlier than 14 days prior to the deadline for the submission of Bids. Written copies of the Procurement Committee's response (including a description of the enquiry but without notifying its source) will be sent to all the prospective Bidders who have purchased the Bidding

documents. Any request for clarifications which are submitted less than 14 days prior to the deadline of submission of Bids will not be entertained.

7. Amendment of Bidding Documents

- 7.1 At any time prior to the deadline for submission of Bids, the Board may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Bidder, modify the Bidding documents by issuing an addendum.
- 7.2 The addendum will be notified in writing to all prospective Bidders who have purchased the Bidding documents and it will be deemed to be binding on them. Prospective Bidders shall promptly acknowledge receipt thereof in writing to the Procurement Committee at the address provided in the **Bidding Data**, under clause 15.2 (a) hereof.
- 7.3 In order to afford prospective Bidders reasonable time in which to take an addendum into account in preparing their Bids, the Procurement Committee may, at its discretion, extend the deadline for the submission of Bids.
- 7.4 Such addendum/addenda shall be submitted along with the Bids.

C. PREPARATION OF BIDS

8. Language of Bid

- 8.1 The Bid prepared by the Bidder and all correspondence and documents relating to the Bid exchanged by the Bidder and the Board shall be written in the English/ Sinhala Language.

9. Documents Comprising the Submission of Bid

- 9.1 Each bidding document submitted by the bidder shall comprise the following components:
 - a) Duly perfected set of Bidding Documents which include sections 1 to 6.
 - b) The subsequent addendum/ addenda (if any)
 - c) Bid security furnished in accordance with clause 12 hereof and as per specimen form issued with the bidding documents. (Original Bid security shall be furnished with the original bidding document. Photocopy shall be attached to the copy of the bidding document)

10. Bid Prices

- 10.1 The quantities indicated in the BOQ are approximate and meant for guidance. The bidder shall be responsible for the assessment of the quantity prior to pricing.
- 10.2 The Bidder shall bid for all the lots or any combination of lots described in a Bill/s in the Bill of Quantities (BOQ).
- 10.3 In pricing the items of the Bills of Quantities, the bidder shall cover himself and will be deemed to have covered himself for:
 - a) All the duties, obligations, liabilities and responsibilities which the Contract documents place upon the bidders in connection with or in relation to the Contract.
 - b) Cost of fuel, drivers salaries & other costs related to the contract.

11. Currencies of Bid and Payment

- 13.1 Prices shall be quoted in Sri Lanka Rupees and the Contract Sum shall be paid in Sri Lanka Rupees.

12. Bid Security

- 12.1 The Bid security is required to ensure the Bidder's compliance with the requirements of Bidding.
- 12.2 A Bid security which is encashable on demand equivalent to the sum as stated in the **Bidding Data** shall be furnished in one of the following forms. The Bid security shall be as per the format in the Bidding Document to indicate the requirement.
 - (a) A cash deposit (Receipt from Cashier NWSDB should be attached to the offer) or,
 - (b) Bank Draft valid for 91 days.
 - (c) Bank guarantee valid for 91 days.
- 12.3 The validity of the above security shall be up to the date specified in the **Bidding Data**.
- 12.4 Any Bid not accompanied by an acceptable Bid security shall be rejected by the Procurement Committee.
- 12.5 Unsuccessful Bidders' Bid securities will be discharged and returned as promptly as possible, but not later than 30 days after the expiration of the period of Bid validity prescribed by the Board.

- 12.6 The successful Bidder's Bid security will be discharged upon removing the items (lots) awarded.
- 12.7 The Bid security shall be forfeited:
- (a) If a Bidder withdraws his Bid during the period of Bid validity; or
 - (b) in case of the successful Bidder, fails to make the full payment and remove the lots awarded within 14 working days from the award.
- 12.8 No interest will be paid on Bid Security

13. Period of Validity of Bid

- 13.1 Bids shall remain valid for a minimum period as mentioned in the **Bidding Data**. A Bid valid for a shorter period may be rejected by the Board as non responsive.
- 13.2 In exceptional circumstances, the Board may solicit the Bidder's consent to an extension of the period of validity of the Bid. The request and the responses thereto shall be made in writing (or by facsimile). The Bid Security provided under clause 12 hereof shall also be extended accordingly. A Bidder who may refuse the request shall not be liable for forfeiture of his Bid security. A Bidder who accepts the request shall not be permitted to modify his Bid.

D. SUBMISSION OF BIDS

14. Alternative Bid(s) by Bidders

- 14.1 Each set of bidding documents shall contain only one offer. All alternative offers will be rejected without assigning reasons. If offers marked as offer 1,2 etc, offer 1 will be treated as original offer and the others as alternative offers. Bidders may purchase bidding documents in required number and may submit one or more independent offers. The independent offers shall be in separate set of bidding documents together with separate bid securities

15. Sealing and Marking of Bids

- 15.1 The Bidder shall seal the Bid in envelopes by duly marking the envelope as "BIDS FOR SALE OF REDUNDANT VEHICLES & EQUIPMENT" and the Contract No. on the top left hand corner.
- 15.2 The envelopes shall:
- (a) Be addressed as provided in the **Bidding Data**.

- (b) Bear the name and identification number of the contract and
- (c) Provide a warning not to open before the specified time and date of the deadline for Bid submission as defined in the **Bidding Data**.

16. Deadline for Submission of Bid

- 16.1 Bids must be addressed to the Chairman, Procurement Committee, at the address specified in the **Bidding Data** and received not later than the time and date of the deadline for Bid submission specified in the **Bidding Data**.

In the event of the specified date for the submission of Bids being declared a holiday, the Bids will be received up to the specified time on the next working day.

- 16.2 Bids may be dispatched to be received on or before the deadline for submission of Bids as aforesaid.
- 16.3 The Board may, at its discretion, extend the deadline for submission of Bids by issuing an addendum in accordance with clause 7.3 hereof, in which case all rights and obligations of the Board and the Bidders previously subject to the original deadline shall be construed as applicable from the extended date.

17. Late Bids

No submission of or notices of withdrawal or modification of Bid will be accepted after the deadline for submission of Bids. Any submission received after the deadline for closing of Bids, will be returned unopened to the Bidder.

18. Modification and Withdrawal of Bids

- 18.1 The Bidder may modify or withdraw his Bid after submission, provided that the modification or notice of withdrawal is received in writing at the address designated to receive Bids prior to the prescribed deadline for submission of Bids.
- 18.2 The Bidder's modification or notice of withdrawal shall be prepared, sealed, marked and delivered with the envelopes additionally marked "MODIFICATION" or "WITHDRAWAL" as appropriate.
- 18.3 No Bid may be modified subsequent to the deadline for submission of Bids.
- 18.4 Withdrawal of a Bid during the interval between the deadline for submission of Bids and expiration of the period of Bid validity specified by the Bid shall result in the forfeiture of the Bid security.

E. BID OPENING AND EVALUATION

19. Opening of Bids

- 19.1 The Bid opening Committee (BOC) approved by the respective procurement committee will open Bids, in the presence of Bidders' representatives who choose to attend, immediately after the deadline for Bid submission and in the place specified in the **Bidding Data**. The Bidders' representatives who are present shall sign a register evidencing their attendance. In the event of the specified date of Bid opening is declared a holiday the Bids shall be opened at that specified time and location on the next working day.
- 19.2 Any Bid for which an acceptable notice of withdrawal has been submitted and if BOC is satisfied with the content and authentication of the withdrawal letter, the bidder's original bid shall not be opened. But all the members of the BOC shall initial on the cover and keep in a secured place to return on the award of contract. Envelopes marked "WITHDRAWAL" shall be opened and read out first. Then envelopes marked "MODIFICATIONS" should be placed with the respective "Original" bid and "Modification" shall be opened first and modifications proposed shall be read out. Then the respective "Original" shall be opened and read out. Completion of the all bids that have been modified, envelopes containing Bids of other bidders shall be opened and readout subsequently.
- 19.3 The Bid Opening Committee shall read out the following at the bid opening committee.
- a) Name and address of the bidder (if joint venture, read the name of the joint venture)
 - b) Absence or presence of the bid security; All members of the committee shall initial the bid security;
 - c) The bid price given in words in the form of bid; if the bid price is not given in words the bid price given in figures; if bid price is not filled in the form of bid, the respective price given in the BOQ or Price Schedules; Whether the announced prices are inclusive or exclusive of VAT shall be indicated clearly
 - d) If the contract will be awarded as a whole the announcement of final bid price is suffice; If contracts will be awarded in different items or lots such prices shall be announced;
- 19.4 After opening each Bid and read out the relevant information, the BOC shall reseal the envelopes before handing over the documents to the PE. The PE shall hand over the bid documents to the chairman of TEC in sealed form.

19.5 The Bid Opening Committee will prepare minutes of the Bid opening, including the information disclosed to those present.

20. Confidentiality of the Process

Information relating to the examination, evaluation and comparison of Bids and recommendations for the award of a contract shall not be disclosed to Bidders or any other person not officially concerned with such process until the award to the successful Bidder has been announced.

Any effort by a Bidder to influence the Procurement Committee and/or the officials of Board or the Ministry/ or the Cabinet of Ministers in processing of Bids or award decisions may result in the rejection of his Bid.

21. Clarification of Bids

21.1 During the evaluation of the bids, there may be a need to seek clarification from a bidder with the sole purpose of ensuring that the Bid can be properly and fairly evaluated. These clarifications should not

- (a) permit any substantive change to the bidder's initial response ; and
- (b) Change in the bid price except correction of arithmetical errors in the pricing of the bid

21.2 The bidder should not be able to clearly comprehend that any clarification sought is only for the aforementioned purpose only.

21.3 At the request made by the Technical Evaluation Committee (TEC), the procurement Entity (NWSDB) will seek such clarification from the bidder in writing.

22. Examination of Bids and Determination of Responsiveness

22.1 Prior to the detailed evaluation of Bids the Procurement Committee will determine whether each Bid,

- a) Meets the eligibility and qualification criteria defined in clauses 2 hereof.
- b) is accompanied with the required Bid security as defined in Clause...12...hereof .
- c) Has sufficient bid validity period as per Clause ...13..... hereof, and
- e) is substantially responsive to the requirements of the Bid documents,

22.2 A substantially responsive Bid is one which conforms to all the terms, in Clause 22.1.

23. Correction of Errors

23.1 Bids determined to be substantially responsive will be checked by the Procurement Committee, for any arithmetic errors.

Errors will be corrected by the Procurement Committee as follows:

- a) Where there is a discrepancy between the amounts in figures and in words, the amounts 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.
 - i) The unit rate as quoted will govern.
 - ii) unless in the opinion of the Procurement Committee 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.

23.2 If the bid price changes 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.

23.3 If the bidder does not accept the corrected amount of Bid, its Bid shall be rejected, and the bid security shall be forfeited in accordance with clause 12 hereof.

24. Evaluation and Comparison of Bids

24.1 The Procurement Committee will evaluate and compare Bids previously determined to be substantially responsive, pursuant to clause 22 hereof.

24.2 In evaluating the Bids the Procurement Committee will determine for each Bid the evaluated Bid price by adjusting the Bid price as follows:

- a) Making any correction of errors pursuant to clause 23 hereof.

24.3 For the evaluation purposes the rates and prices in the BOQ will be considered to be excluding VAT. Any notes or remarks by Bidders contrary to this will be disregarded.

24.4 Only the Bids having the Bid prices of at least 70% of the Engineer's Estimate shall be considered for awarding.

F. AWARD OF CONTRACT

25. Post-qualification

25.1 For the award of the contract, the Procurement Committee will determine to its satisfaction whether the Bidder selected as having submitted the highest-evaluated substantially responsive Bid is qualified to satisfactorily perform the Contract.

25.2 An affirmative determination by the Procurement Committee will be a prerequisite for award of the Contract to the Bidder. A negative determination will result in rejection of the Bidder's Bid, in which event the Procurement Committee will proceed to the next highest evaluated Bid to make a similar determination of that Bidder's capabilities to perform satisfactorily.

25.3 Award of Contract

The Board/ Employer will award the Contract to the Bidder whose Bid has been determined to be substantially responsive to the bidding documents and who has offered the highest evaluated bid price, provided that such bidder has been determined to be eligible and qualified in accordance with the provisions of the bidding document.

26. Right of the Procurement Committee to Accept any Bid and to Reject any or all Bids

The Procurement Committee reserves the right to accept or reject any Bid, and to annul the Biding process and reject all Bids, at any time prior to the award of contract, without thereby incurring any liability to the affected Bidder or Bidders any obligation to inform the affected Bidder or Bidders of the grounds of the Procurement Committee's action. The Procurement Committee reserves the right to award the Bid in whole or in lot wise if the number of lots are more than one.

27. Notification of Award

27.1 Prior to the expiration of the period of Bid validity prescribed by the Board, the Board will notify the successful Bidder by registered letter or by facsimile that his Bid has been accepted. This letter (hereinafter called the "Letter of Acceptance") will state the sum to be paid to the Contractor in consideration of the completion of the Contract.

27.2 The notification of award will constitute the formation of the Contract.

27.3 Upon the awarding of the contract to the successful Bidder, the Board will promptly notify each of the unsuccessful Bidders and will discharge their Bid Securities.

29. Fraud & Corruption

Bidders and officials shall ensure that they maintain strict confidentiality throughout the bidding 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.

2. GENERAL CONDITIONS OF CONTRACT

GENERAL CONDITIONS OF CONTRACT

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GENERAL CONDITIONS OF CONTRACT

1.0 General Provisions

1.1 Definitions

In the Contract as defined below, the words and expressions defined shall have the following meanings assigned to them, except where the context requires otherwise:

- (a) "**The Contract**" is the Contract between the Employer and the Contractor for Sale of Redundant & Obsolete Items.
- (b) "**The Contract Price**" means the amount stated in the Letter of Acceptance and thereafter as adjusted in accordance with provisions of the Contract.
- (c) "**Letter of Acceptance**" means the letter signed and issued by the Employer accepting the Bid submitted by the Contractor for Purchase of Redundant Vehicles & Equipment.

Persons

- (g) "**Employer**"/ "**NWSDB**"/ "**Board**"/ "**Procurement Entity**" mean the Party National Water Supply & Drainage Board who employs the Contractor to carry out the Works.
- (h) **Engineer** is the person named in the Contract Data who is responsible for administrating and supervising the execution of the services.
- (i) "**Contractor**" or "Supplier" means the person(s) who's Bid to Purchase the Redundant & Obsolete Items has been accepted by the Employer and named in the Agreement.

Dates, Times and Periods

- (l) "**Day**" means a calendar day.

1.2 Interpretation

Words importing persons or parties shall include firms and organizations;

Words importing the singular or one gender shall include plural or the other gender where the context requires.

1.3 Priority of Documents

The documents forming the contract are to be taken as mutually explanatory of one another;

The priority of the documents shall be in accordance with the order as listed below:

- a. The Letter of Acceptance
- b. Memorandum of understanding (if any)
- c. Contractor's Bid
- d. Bidding Data and Contract Data
- e. The Conditions of Contract
- f. Bills of Quantities
- g. Any other Document (if any)

1.4 Law

The law of the Democratic Socialist Republic of Sri Lanka is applicable.

1.5 Communications

Communication by any person under the Contract shall be written in official language and/or English or Sinhala.

2.0 Currency

Payment shall be in Sri Lanka Rupees only.

3.0 Default and Fines

- 3.1 Default by Contractor
Delays in the Contractor's Performance.

4.0 Payments

- 4.1 The Contractor shall make the full payment and remove the items (lot/lots) within the period stated in the Contract Data, without leaving any item included in the lot.
- 4.2 An unexcused delay by the Contractor in making full payment and removing the lots within the time stated in Contract Data will result forfeiture of its bid security as mentioned in the Clause 12 of ITB.
- 4.3 Balance Revenue license fee payments shall be bear by the Bidder.

