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**Government of the Democratic Socialist Republic of Sri Lanka**

**Ministry of Ports, Shipping and Aviation**

**Ceylon Shipping Corporation Ltd. (CSC)**

Bidding Document for

**International Competitive Bidding for Partnering with CSC in Lightering of Coal in the Port of Puttalam 2024/25 and 2025/26**

**Tender No.: CSC/2024/T/Coal/L/1**

The Chairman,

Standing Cabinet Appointed Procurement Committee (SCAPC) of the Ministry of Ports, Shipping and Aviation of the Government of Democratic Socialist Republic of Sri Lanka,

for and on behalf of Ceylon Shipping Corporation Ltd. (CSC),

Ceylon Shipping Corporation

No. 27, Sir Razik Fareed Mawatha,

Colombo 00100, Sri Lanka

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# Abbreviations

|  |  |  |
| --- | --- | --- |
| 1 | BDS | Bid Data Sheet |
| 2 | CEB | Ceylon Electricity Board |
| 3 | CSC | Ceylon Shipping Corporation |
| 4 | IFB | Invitation for Bids |
| 5 | ITB | Instruction to Bidders |
| 6 | LCC | Lanka Coal Company |
| 7 | LKR | Sri Lankan Rupees |
| 8 | LVPP | Lakvijaya Power Plant |
| 9 | MT | Metric Ton (1000 kg) |
| 10 | SCAPC | Standing Cabinet Appointed Procurement Committee |
| 11 | SPB | Self-Propelled Barge |
| 12 | USD | United States Dollar |
| 13 | PWWD | Per Weather Working Day  |
| 14 | SSHINC | Saturday Sunday Holiday Included |
| 15 | TEC | Technical Evaluation Committee |

# Section 1: Invitation for Bids (IFB)

**Lightering of Coal**

Date of Issue: …………., 2024

## 1. Introduction

Ceylon Shipping Corporation Ltd. (CSC) is the 100% Government owned National Line of Sri Lanka. CSC has been the lightering contractor of Lanka Coal Company (Pvt) Ltd. (LCC), from the year 2010.

The Coal is imported for the Lakvijaya Power Plant (LVPP) at Puttalam, Sri Lanka, owned and operated by M/s Ceylon Electricity Board (CEB).

LCC was incorporated in January, 2008 as the authorized agency for the procurement, import and supply of coal to meet full requirements of all coal for the coal fired power stations of CEB. Shares of the LCC are held by the Ceylon Electricity Board, General Treasury, Sri Lanka Ports Authority and Ceylon Shipping Corporation Ltd.

## 2. Invitation

Chairman, Standing Cabinet Appointed Procurement Committee of Ministry of Ports, Shipping and Aviation (SCAPC) invites you amongst others to submit a Bid for the lightering of coal in Partnership with CSC for the 900 MW Lakvijaya Power Plant at Puttalam, Sri Lanka, by submitting Offers as follows;

a. Agreeing to the lowest Base Lightering Rate in USD per MT basis from the discharging anchorage in the port of Puttalam to the Jetty of the LVPS including on board stevedoring and other scope of work explained in the Instructions to Bidders and subject to terms and conditions stipulated in the draft Lightering Agreement attached to this Bidding Documents;

b. Offer the highest Address Commission for CSC on per MT basis irrespective of bunker fuel price as per the Draft Lightering Agreement, which is part of this Bidding Document;

This invitation could be extended on behalf of the Procurement Entity, Ceylon Shipping Corporation Ltd., if necessary.

## 3. Bid documents

In addition to this Invitation for Bids, please find enclosed Bid Documents: Section II, Instruction to Bidders (ITB) and its Forms and Annexes and Section III, Draft Lightering Agreement and its Annexures.

## 4. Submission of Bids

Sealed Bids addressed as follows shall be submitted by hand or sent by express courier to

Chairman

Standing Cabinet Appointed Procurement Committee Ceylon Shipping Corporation

No. 27, Sir Razik Fareed Mawatha, Colombo 00100, Sri Lanka

### 4.1 **Dead line for submission of bids**

Bids will be received up to 14.00hrs Sri Lanka Standard Time on the date mentioned in the Section 3: Bid Data Sheet (BDS).

## 5. Late Bids

Bids received for submission after the deadline will be rejected stipulated in paragraph 4.1 will be rejected.

## 6. Bid Security

Each Bid shall be accompanied by a Bid Security to the value of USD 25,000/=. (or equivalent amount in LKR only for local bidders as stipulated below)

The Bid Security in the form of a bank guarantee shall be issued by:

* a bank operating in Sri Lanka, approved by the Central Bank of Sri Lanka, or
* a bank in another country, but the security confirmed by a bank operating in Sri Lanka approved by the Central Bank of Sri Lanka.
* In the event the Bidder is a local party, Bid Security shall be furnished in an equivalent amount in Sri Lanka Rupees converted at the of LKR/USD (Selling) exchange rate published by the Central Bank of Sri Lanka prevailing on the date of issuance of the Bid Security.

Bank Details are as Follows-USD

Beneficiary Ceylon Shipping Corporation Ltd

Account number : 004 - 4021 - 6 -0210916 (USD)

Bank Name : People's Bank of Sri Lanka

Swift Code : PSBKLKLX

 Bank Address : International Banking Division

 No 91

 ACHC Building

 Sir Chittampalam A Gardiner Mawatha

 Colombo 02

 Sri Lanka

Bank Details are as Follows-LKR

Beneficiary Ceylon Shipping Corporation Ltd

Account Number 004 - 1001 - 4 -0210903(LKR)

SWIFT Code PSBKLKLX

Name & Address Of Bank People's Bank

 International Banking Division

 No 91

 ACHC Building

 Sir Chittampalam A Gardiner Mawatha

 Colombo 02

 Sri Lanka

## 7. Bid Opening

Bids will be opened by a Bid Opening Committee in the presence of the Bidders or their authorized representatives at the time and date and at the address named in the Bid Data Sheet (BDS) as detailed in Section 2: Instruction to Bidders (ITB).

## 8. Bidding Procedure

A Single Stage Bidding Procedure will be adopted. Bidding Procedure applicable to this bid is given in Section 2: Instructions to Bidders.

# Section 2: Instructions to Bidders (ITB)

**Lightering of Coal**

## 1. Introduction

### 1.1 Lakvijaya Power Plant

The Lakvijaya Power Plant is a power generation plant located at Narakkalliya, Norochcholai of Kalpitiya Peninsula of Sri Lanka. The Power Plant is situated in Puttalam, about 130 km North of Colombo on the West Coast of Sri Lanka. The Plant consists of three turbo generators with coal fired boiler units with an install capacity of 3 x 300 MW, along with the all-necessary site infrastructure, auxiliary systems and other engineering works necessary including the coal handling system. The Coal handling system includes a jetty, conveyor system to transport coal to power plants’ coal storage facility and coal feeding conveyor system to transport coal from the storage facility to the Power plant.

### 1.2 Coal Unloading Jetty of the LVPP

The Jetty of the Power Plant is inclusive of four (4) grab unloading cranes of each having minimum unloading capacity of 500 MT/hour. In the normal unloading time two grab cranes are in operation by maintaining the sufficient unloading rate to facilitate for the smooth lightering operation.

### 1.3 Lightering Operation

Due to lack of depth, mother vessels carrying Coal are unable to discharge cargo alongside the Jetty of the LVPP. Therefore, mother vessels are anchored about 4.0 - 4.5 km offshore. The anchorage area is within a radius of about 1.0 km from the location of approximately 08o 00’ N, 079o 40’ E. Bidders are advised to study the available depths at the anchorage area from the Chart/s available at the National Hydrographic Office, National Aquatic Resources Research & Development Agency, Crow Island, Mattakkuliya, Colombo 15, Sri Lanka.

Since the South-West Monsoon affects the port of Puttalam, discharging of coal can be done only during a limited window between about mid-September to mid-May of the following year, always subject to mutual agreement among all the stakeholders.

Since the said inception, only geared Supramax, Panamax and Kamsarmax sized vessels were used for transportation of coal.

The cargo quantity of the shipments will be about 60,000 MT +/- 10%.

Lightering of Coal should be conducted with the use of self-propelled open deck barges (SPBs) only.

Owner and Operator of the coal unloading Jetty - CEB engages mooring gangs to support the Lightering partner in mooring of barges at the Jetty of the Power Station at the time when the barges safely arrive alongside the Jetty, using the mooring ropes of the said barges. During this said operation, CEB discharge Coal using Jetty cranes.

### 1.4 Scope of Work

Discharging terms of Coal from mother vessel is on “free-out” basis. Lightering contractor will be responsible for safe double banking of SPBs to the vessel; mooring of SPBs with the vessel; on board stevedoring i.e. discharging from ship’s holds to the barges using ships cranes; carriage of coal using SPBs from the anchorage to the Jetty of the Power Plant; cleaning of holds of mother vessels and SPBs; engaging necessary supervisors, crane operators, linesmen, cleaning gangs etc., deployment of minimum of 02 Pay-loaders and operators etc.

No any mooring ropes will be provided by the ships or by CSC or by CEB

### 1.5 Period of Contract

The period of the intended Lightering Contract shall be for two (02) “Seasons” commencing from mid-September 2024 until mid-May 2025 and from mid-September 2025 until mid-May 2026, thereafter may be extendable for a another two plus two (02+02) Contract Years at the sole discretion of CSC subject to Cabinet of Ministers approvals. Commencement date of lightering shall be mutually agreed by all stakeholders, including CEB and LCC, depending on the arrival date of the first ship in the Season. The present ETA of the first ship is around 15/09/2024.

### 1.6 Mobilization / De-mobilization / Registering of Foreign Flagged Vessels Under Sri Lankan Flag

All mobilization/de-mobilization costs of barges shall be on the selected Lightering Partner’s account.

Under Section 114 of the Merchant Shipping Act No. 52 of 1971, no foreign flagged shall be allowed to operate in Sri Lankan coastal waters unless the necessary dispensation from the Minister in charge of the subject shall grant exemption to operate foreign flagged SPBs in the port of Puttalam. Therefore, the selected Lightering Partner shall timely register the SPBs under Sri Lanka flag or shall obtain the said dispensation upon signing of the Agreement and prior to commencing of lightering operations.

No unskilled expatriate labour shall be utilized by the selected Partner. If employment of any skilled expatriate labourers may be required, it should be with the prior consent of the CSC, subject to obtaining necessary Resident Visa/Work Permit subject to the due procedure. The responsibility to obtain the necessary Resident Visa/Work Permit for skilled expatriate workers totally lies with the selected Partner. CSC will only assist to provide necessary documents to obtain Residence Visa/Work Permit but will not bear any cost associated with such process.

### 1.7 Demurrage/Dispatch

Demurrage and dispatch and method of calculation will be as per the draft Lightering Agreement of this Bidding Documents. No demurrage or detention charges will be payable by CSC to the selected Bidder for SPBs or any other equipment.

If any mother vessel has incurred demurrage after expiry of laytime for any reason, dispatch will not be paid, even if the selected Bidder has discharged any vessel within a time period less than the allowed laytime.

In case overlapping or bunching occurred due to vessel arrival more than two vessels, vessels are ordered to stay at OPL Puttalam or Colombo port. In such case vessel is tendered NOR at OPL and shifting time is deducted from OPL to anchorage the laytime.

Departure documents ( Signing SOF, daily discharging reports and bought notes etc., ) to complete within 02hrs after completion of discharging.

If any dispute arises between Lightering partner and the Master of the vessel during discharging, those disputes shall be settled before completion of discharging.

In any case, Lightering partner takes more than 02hrs to complete departure documents such time on lightering partner Account.

## 2. Quantity

Quantity of coal shall be 2.25 million MT +/- 10% for discharging between mid-September 2024 to mid-May 2025; and from mid-September 2025 until mid-May 2026 no dead freight if the quantity may be less on any reason, thereafter may be extendable for a another two (02) Contract Years, will be similar in quantity for the extended period at the sole discretion of CSC subject to Cabinet of Ministers approvals.

## 3. Cost of Bidding

The Bidder shall bear all costs associated with the preparation and submission of its Bid and CSC will in no case be responsible or liable for these costs, regardless of the conduct or outcome of the Bidding process. By participating in the bidding, each Bidder agrees and acknowledges that in no event shall it be entitled to make a claim of any kind against CSC or CSC’s officers, employees, or consultants arising out of, relating to, or in any way connected with the Bidder’s bid or CSC's consideration thereof.

## 4. The Bid Documents

In addition to these Instructions, the Bid Documents include:

(I) Bid Data Sheet

(Ii) Forms 1 to 8

(Iii) Letter of Bid

(Iv) Bid Security

(V) Power of Attorney

(Vi) Bidder’s Rates Offer

(Vii) Bidder’s Addenda Receipt

(Viii) Draft Lightering Agreement with the methods statement as an annexure

The Bidder is expected to examine all instructions, forms, terms, specifications and other information in the Bid Documents. For ease of reference, a specimen Form of a Bid Security can be found attached to these instructions. Failure to furnish all information required by the Bid Documents or submission of a Bid not substantially responsive to the Bid Documents will be at the Bidder's risk and may result in rejection of its Bid.

## 5. Clarification of Bid Documents

A prospective Bidder requiring any clarification of the Bid Documents may notify CSC in writing or electronically by email or telefax at the CSC's address indicated in the Bid Data Sheet. CSC will respond in writing to any request for clarification of the Bid Documents which is received not later than ……………….., 2024 at 1600 hrs. Written copies of the CSC's response (including an explanation of the query but without identifying its source) will be sent to all prospective Bidders who have obtained the Bidding Documents up to the time of clarification by CSC.

## 6. Amendment of Bid Documents

At any time prior to the deadline for submission of Bids, CSC may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Bidder, amend the Bid Documents by issuing an Addendum. Notice of any amendments will be made available in writing and electronically by email or telefax to all prospective Bidders who have purchased the Bid Documents and will be binding on them. Bidders are required to immediately acknowledge receipt in writing or electronically by email and using the Addenda Receipt provided in Annex 6 for any such amendment with the Bid. It will be assumed that the information contained therein will have been taken into account by the Bidder in its Bid.

## 7. Preparation of Bids

### 7.1. Language of Bid

The Bid prepared by the Bidder and all correspondence and documents related to the Bid exchanged by the Bidder and CSC, shall be written in the English language, provided that any printed literature furnished by the Bidder may be written in another language so long as accompanied by an English translation. For purposes of interpretation of the Bid, the English translation shall govern. Any document submitted in another language without accompanying English translation shall not be considered for the evaluation of the bid.

### 7.2. Confidentiality of Bidding

The prices in the Bidder's Bid must be determined independently, without consultation, communication, or agreement with any other Bidder or potential Bidders.

The prices that have been quoted in the Bidder's Bid must not and will not knowingly be disclosed by the Bidder directly, or indirectly, to any other Bidder or potential Bidder prior to the time Bids are due. Bidder warrants that no attempt has been made, directly or indirectly, to induce any other persons or firms to submit or not to submit a Bid for the purpose of restricting competition.

The Bidder shall not disclose the Bid Documents to any third party who is not directly related with the preparation of the Bid proposal.

### 7.3. Method of Receiving Bids

Sealed Bids will be received by courier or by hand.

### 7.4. Documents to be Submitted by Bidders

7.4.1. Bidders should courier/hand-deliver the originals of following documents on or before the closing time/date as per the Bid Data Sheet

(i) Letter of Bid duly completed and signed by the Bidder (Annex 1)

(ii) Bid Security (specimen Form is attached as Annex 2)

(iii) Power of Attorney (Annex 4 specimen Form attached)

(iv) Forms 1 to 8 duly filled and signed

(v) Addenda Receipt, if any (Annex 6 attached) duly filled and signed by the Bidder

(vi) Draft Lightering Agreement

(vii) Bid Data Sheet (BDS)

(viii) PCA 3 Form, if applicable.

Please note that PCA-3 Form is a prescribed Form under the Public Contracts Act No.3 of 1987, which specifies the persons required to register with the Registrar of Public Contracts. This act is available for your reference at website

[http://www.lawnet.lk/section.php?file=http://www.lawnet.lk/docs/statutes\_1956\_2006/indexs Vol2/1987YOVOC3A.html](http://www.lawnet.lk/section.php?file=http://www.lawnet.lk/docs/statutes_1956_2006/indexs%20Vol2/1987YOVOC3A.html)

(ix) Rates Offer (Annex 5)

(x) If the Bidder is a joint venture, joint venture partnership/shareholding agreement.

### 7.5. Address Commission

The highest Address Commission for CSC shall be quoted on per Metric Ton (MT) basis, which should be fixed for the Period of Contract and for extended period, if any, irrespective of any fluctuation of Base Lightering Rate due to fluctuation of fuel prices.

### 7.6. Bid Currency

Bidder’s Base Lightering Rate and Address Commission to CSC shall be quoted in U.S. Dollar (USD).

### 7.7. Bid Security

All Bids must be accompanied by a Bid Security in the amount and currency and validity as specified in the Bid Data Sheet. The Bid Security, in the Form provided in Annex 2, shall be a Bank Guarantee issued by;

* A Bank operating in Sri Lanka, approved by the Central Bank of Sri Lanka, or
* A Bank in another country, but the security "confirmed" by a Bank operating in Sri Lanka approved by the Central Bank of Sri Lanka.

Any Bid not secured as aforesaid shall be rejected as non-responsive.

Unsuccessful Bidder's Bid Security will be discharged/returned as promptly as possible following provision of Performance Security by the successful Bidder, but not later than 30 days after the expiration of the period of Bid Validity prescribed by CSC, pursuant to Clause 7.8.

The successful Bidder's Bid Security will be discharged upon the Bidder's signing the Lightering Agreement, pursuant to Clause 10.2, and fulfillment of the Conditions Precedent stated in the Clause 3.0 of the Invitation to Bids.

The Bid Security may be forfeited:

(a) If a Bidder:

i) Withdraws its Bid during the period of Bid Validity specified in Clause 7.8; or

ii) Refuses to accept any arithmetical correction necessary in the Bids; or

(b) In case of a successful Bidder, if the Bidder fails:

(i) To sign the Contract in accordance with Clause 10.2; or

(ii) To furnish Performance Security in accordance with Clause 10.3.

### 7.8. Validity of Bids

Bids shall remain valid for a period as specified in Bid Data Sheet. A Bid valid for a shorter period shall be rejected by CSC as non-responsive.

In exceptional circumstances, CSC may solicit Bidder's consent to an extension of the period of validity of their Bids. The request and responses thereto shall be made in writing or by email or telefax. If a Bidder accepts to prolong the period of validity, the Bid Security shall also be extended accordingly. A Bidder may refuse the request without forfeiting its Bid Security. Any Bidder granting the request will not be required nor permitted to modify its Bid.

### 7.9. Format and Signing of Bid

The Bidder shall prepare one original and two copies of the Bid, clearly marking each one as "Original", "Copy No. 1", "Copy No. 2", as appropriate. The Original and the copies of the Bid, each consisting of the documents listed in Clause 7.4 above, shall be typed written or otherwise reproduced in indelible ink and shall be signed by the Bidder or a person or persons duly authorized to bind the Bidder to the Contract. The latter authorization shall be indicated by written Power-of-Attorney accompanying the Bid and submitted as Annex 4 to the Bid. All pages of the Bid shall be initialed by the person or persons signing the Bid.

The Bid shall not contain any interlineations, erasures or overwriting except as necessary to correct errors made by the Bidder, in which case such corrections shall be initialed by the person or persons signing the Bid.

## 8. Submission of Bids

### 8.1 Submission, Sealing and Marking of Bids

The Bidder shall submit the Bid

(a) Addressed to Chairman, SCAPC

(b) Bear the Contract Name and the Number.

### 8.2 Deadline for Submission of Bids

SCAPC/CSC may at it is discretion extend this deadline for submission of Bids by amending the Bid Documents in accordance with Clause 6.0, in which case all rights and obligations of CSC and Bidders previously subject to deadline will thereafter be subject to the deadline as extended.

### 8.3 Late Bids

Any Bid received after the deadline for submission will be rejected.

## 9. Bid Opening and Evaluation

### 9.1 Opening of Bids

The Bidder's name, the presence of a Bid Security, agreement of the Bidder to give the Base Lightering Rate of USD …../per MT, Address Commission USD …./per MT offered to CSC and such other details as the Bid Opening Committee may consider at its discretion, will be announced and recorded at the opening.

The Bidder's representatives who are present shall be requested to sign the schedule prepared by the Bid Opening Committee to confirm their attendance. A copy of the Record shall be distributed to all Bidders who submitted Bids in time.

### 9.2 Clarification of Bids

To assist in the examination, evaluation and comparison of Bids the CSC may, at its discretion and at any time, ask the Bidder for a clarification of its Bid.

The request for clarification and the response shall be in writing and no change in the Lightering and Address Commission rates or substance of the Bid shall be sought, offered or permitted.

### 9.3 Eligibility and Qualifications of the Bidders

9.3.1. The following factors will be considered preferably to judge the eligibility of the Bidders;

(a) Bidder shall have a minimum of three (3) years experiences in lightering operation of coal at an anchorage port with average discharging rate per day

(b) Bidder shall have a experience in lightering of coal at least two (2) million MT of coal and/or dry bulk cargo per annum. In the event of a Joint Venture, the figures for each of the Partners of a Joint Venture shall be added together to determine the Joint Venture’s compliance with regard to this minimum qualifying criteria;

(c) Technical suitability of machinery of the SPBs, total Deadweight (DWT) of the SPBs offered, Class (should be a Class acceptable to the Sri Lanka Flag Administration), validity of Protection & Indemnity Insurance Cover, Class, Statutory and relevant Trading Certificates, size, length-overall, beam, maximum draft, dimensions of holds of self-propelled barges (SPBs), which are declared to be put into operation.

For this operation, only deck barges with open single hold will prefer with following limitations;

i. Minimum aggregate DWT of SPBs: 12,000 MT

ii. Minimum / Maximum LOA: 64 M / 86 M

iii. Minimum / Maximum Beam: 12 M / 21 M

iv. Maximum draft: 3.7 M

v. Details of the SPBs should be provided in the Form 8.

### 9.4 Bid Evaluation

#### 9.4.1 Qualification of Bidders (Individual / Joint Ventures)

To be qualified to Bid for Lightering of coal, the bidder shall provide evidence of the capability and adequacy of resources to carry out the Contract effectively satisfactory to the TEC/SCAPC. Bidders shall include the following information:

I. Information of Statement of the Bidder (Form 1);

II Particular general experience over the bidder (Form 2);

III. References of past customers, together with the contact address, etc. of each customer, in order to show past performance under bidder’s management (Form 3);

V. Evidence of financial standing. Annual Reports and audited financial statements for minimum last three (3) consecutive years (Form 4);

VI. Authority to seek references from the Bidder’s bankers (Form 5);

VII. Information regarding any Litigation in Court of Law or Arbitration, in which the Bidder is or was involved as a Respondent in the past three (3) years, the parties concerned, and disputed amounts (Form 6)

IX. Additional information (Form 7)

X. Details of the self-propelled barges firmly offered to be deployed in to the operation (Form 8).

#### 9.4.1 The Evaluation of Bids will be carried in 03 stages

Stage 1: Preliminary Examination for Responsiveness

Stage 2: Technical Proposal

Stage 3: Price Proposal

**Stage 1: Preliminary Examination for Responsiveness;**

a. Examination of the Bid Security for the amount, date of expiry and the bank, which issued the Bid Security (in accordance with the format provided in the Annex 2 to the ITB);

b. Checking whether the Certificate of Registrar of Public Contracts has been submitted;

c. Examination of the Letter of Bid whether it has been duly filled and signed (as per the format provided in Annex 2 to the ITB);

d. Fulfillment of the experience in Lightering of Coal in similar nature and the quantity lightered with average rate of per vessel/ per day basis, discharging rate of minimum 10,000 MT per day with previous experience at anchorage port, recommendation given by CSC if any pervious service providers (Form 2);

e. References provided (as per Form 3);

f. Financial Information (Form 4);

g. Litigation if any (Form 6) and

h. submission of Power of Attorney (annex 4).

The Bids, which have fulfilled the above Preliminary Examination for Responsiveness, will be evaluated in detail for their Technical feasibility.

**Stage 2: Detailed Technical Evaluation of Bids;**

a. Whether the total Deadweight of the Barges proposed to be deployed in to the operation is more than 12,000 MT in aggregate;

b. Whether the technical specifications such as Length Overall (LOA), Beam, Maximum Draft, Flag and the Class are acceptable as per the Technical Specifications laid down in the Bidding Document.

The Bids, which have complied with all the Technical Requirements, will be considered for Financial Evaluations.

**Stage 3. Financial Evaluation of Bids;**

To record whether the Bidders have offered **the lowest Base Lightering Rate offered on per MT basis in USD/LKR** as specified in the Bid Documents and the **highest Address Commission offered to CSC on per MT** basis in USD/LKR

In the event more than 02 or more Bidders have offered the same highest Address Commission to CSC, the suitable Bidder shall be decided / selected by the Standing Cabinet Appointed Procurement Committee (SCAPC) at the discretion of the SCAPC considering the technical/experiences criteria recommended by the Technical Evaluation Committee.

Bids expected to be paid in LKR will be considered preferably.

### 9.5 Contacts with CSC

Subject to Clause 5.0, no Bidder shall contact CSC or any other person or organization involved on any matter relating to its Bid, from the time of the opening of Bids to the time the Contract is awarded.

Any effort by a Bidder to influence CSC in Bid evaluation, Bid comparison or Contract Award decisions may result in rejection of the Bid.

## 10. Award of Contract

## 10.1 Acceptability

After negotiations by the SCAPC on behalf of the CSC, while taking in to account of the Bids received from the most responsive Bidder, SCAPC will determine to its satisfaction whether the Bidder selected by the evaluation process as having submitted the most responsive Bid as described in Clause 9.4, is qualified to satisfactorily perform the Contract.

SCAPC reserves the right to accept or reject any Bid, and to cancel the Bidding process and reject all Bids at any time prior to the issuance of the letter of acceptance, without thereby incurring any liability to the Bidders or any obligation to inform the Bidders of the grounds for SCAPC’s action.

The Secretary, Ministry of Ports, Shipping and Aviation will inform the unsuccessful bidders in writing, within two week of being informed of the recommendations of SCAPC.

The final award of the Contract shall be subject to the approval of the Cabinet of Ministers of the Government of Sri Lanka.

## 10.2 Notification of Acceptance and Signing of The Contracts

After determining the successful Bidder in accordance with the Clause 10.1 and prior to the expiration of the period of Bid validity, CSC will notify the successful Bidder in writing by registered letter or electronically by email or telefax that his Bid has been accepted.

Within 07 working days of receipt of the Letter of Acceptance and the proposed Coal Lightering Agreement, the successful Bidder shall enter into an agreement with CSC. The date and venue for signing the Agreement shall be agreed between the Parties.

The successful Bidder shall deliver to CSC at its own cost three (3) sets of the Lightering Agreement, all duly bound, within 10 days from receipt of the originals from CSC.

## 10.3 Performance Security

Within 05 banking days of receipt of the Letter of Acceptance, the successful Bidder shall furnish the Performance Security for amount given in the Bid Data Sheet in a format acceptable to CSC. A Specimen Form can be found as Annexure 3.

The Performance Security in the Form of a bank security shall be issued by:

* A bank operating in Sri Lanka, approved by the Central Bank of Sri Lanka, or
* A bank in another country, but the security confirmed by a bank operating in Sri Lanka approved by the Central Bank of Sri Lanka.
* If the Contract is extended, the Performance Security should be furnished by 01st June in every extended Contract Year.

Failure of the successful Bidder to comply with the requirements of Clause 10.2 or Clause 10.3 shall constitute sufficient grounds for the annulment of the award and forfeiture of the Bid Security.

**Section 3: Bid Data Sheet (BDS)**

This Bid Data Sheet provides information in a tabular Form to assist Bidders with Bid preparation and shall be attached to the Bid.

|  |  |  |
| --- | --- | --- |
| ITB/IFB clause Reference | Name | Description |
|  | Name of Contract | Agreement for Lightering of Coal at Puttalam Port, Sri Lanka |
|  | Invitation for Bids (IFB) No | CSC/2024/T/Coal/L/1 |
|  | Quantity of Coal to be lightered under this Contract | 2,250,000 Metric Tons +/- 10% per Contract Year |
|  | Contract Period | Two (02) Years + Two (02) Years extendable at sole discretion of CSC subject approvals of Cabinet of Ministers of Sri Lanka |
|  | General time period for lightering operation in Puttalam port (“Season”) | mid-September to mid-May (following year) in each Contract Year, subject to adjustment on mutual agreement |
|  | Name of the Employer | Ceylon Shipping Corporation Ltd |
|  | Address of the Employer  | Chairman,Ceylon Shipping Corporation Ltd. No. 27, MICH BuildingSir Razik Fareed Mawatha (Formerly Bristol Street), Colombo 00100, Sri LankaTelephone No.: +94 11 2328772/3Telefax. No.: +94 11 2447546 Email Address. chairman@cscl.lk |
|  | Pre-bid Teleconference | A Pre-Bid virtual meeting/teleconference will be held between 1.00 pm to 3.00 pm local time on ………., 2024 through online |
| IFB 6 | Bid Security | USD 25,000 (United States Dollars Twenty Five Thousand) |
| IFB 6 / ITB 7.7 | Period of validity of Bid Security | Up to ………**, 2024** |
| ITB 7.8 | Period of Validity of Bids | Up to …………**, 2024** |
| IFB 4.1 / ITN 8.2 | Dead line for submission of bids | 1400 hrs (Sri Lanka Standard Time) on …………, 2024 |
| IFB 4 / ITB 8.1 | Place at which Bids will be received | Chairman, on behalf of Standing Cabinet Appointed Procurement Committee for the Tender for Lightering of Coal, Ceylon Shipping Corporation, Sir Rasik Fareed Mawatha, Colombo 00100, Sri Lanka |
| ITB 9.1 | Time and Date for Bid Opening  | 1400 hrs (Sri Lanka Standard Time) on ………………, 2024 |
| IFB 7 | Location of Bid Opening | Chairman Office, Ceylon Shipping Corporation, Sir Rasik Fareed Mawatha, Colombo 00100, Sri Lanka |
| IFB 6 | Source Bank for exchange rates | Central Bank of Sri Lanka |
| ITB 10.3 | Performance Security | Base Lightering Rate USD ….... x 2.25 million MT x 2% |
|  |  |  |

Section 4: Forms

## Form 1 – Statement of Bidder

|  |  |
| --- | --- |
| **Items** | **Bidder’s Response** |
| 1. | - Name of Firm- Acronym (if any):- Former Name of Firm (if any):- Year established under former name (if applicable): | …………………………………………………..…………………………………………………..…………………………………………………..………………………………………………….. |
| 2. | Address of Head Office- Street :- P.O. Box (if any):- Postal Code, City, Country:- Telephone No.:- Telefax No.:- Web address: | …………………………………………………..…………………………………………………..…………………………………………………..…………………………………………………..…………………………………………………..………………………………………………….. |
| 3. | Contact Person- Name:- Position / Title:- Telephone No.:- Telefax No.:- E-Mail address | …………………………………………………..…………………………………………………..…………………………………………………..…………………………………………………..………………………………………………….. |
| 4. | Type of Organization (check one of the spaces):- Individual Owner- Partnership - Private Company- Public Corporation- Joint-Venture- State Enterprise- Other |

|  |
| --- |
|  |
|  |
|  |
|  |
|  |
|  |
|  |

 |
| 5. | Date of incorporation:Place of Incorporation: | …………………………………………………..………………………………………………….. |
| 6. | Is this a group firm formed by its member firms? |  (yes) (no) |
| 7. | Is this a parent firm with subsidiaries? |  (yes) (no) |
| 8. | Branch of Specialization:(Please attach brochures to demonstrate the specializations mentioned here) | ……………………………………………………………………………………………………………………………………………………….............................................................................................................................................. |
| 9. | In case the Bidder is a joint- venture, list here names and address of all members and proportion of their participation:(a) Leading Member (Lead Partner)Other Members:b)c)d)e) | ………………………………………………………………………………………………………………………………………………………………………………………………………….………………………………………………………………………………………………………………………………………………………………………………………………………….……………………………………………………………………………………………………. |
| Total annual turnover as per the audited accounts in minimum last three (3) consecutive financial years in equivalent USD. The figures for each of the partners of a Joint Venture shall be added together to determine the Joint Venture’s compliance with the criteria set out in Sub-Clause 9.15 above : | 2021…………….… million USD2022 ………………. million USD2023………………. million USD |

Bidder’s Signature...........................................................

## Form 2 – General Experience

|  |  |
| --- | --- |
| **Item** | **Bidders Response** |
| 1 | How many years has you/your organization been in business: | …………………………………………………………………………………… |
| 2 | How many years of experience in work related to lightering of coal  | ……………………………………………………………………………………… |
| 3 | Indicate years of organization’s overseas experience in lightering of coal, if any | ………………………………………….………………………………………….…………………………………………. |
| 4 | Indicate the quantity of coal lightered during last 03 years (refer Clause 9.15) | Year | Port | Quantity MT |
|  |  |  |
|  |  |  |
|  |  |  |

Bidder’s Signature...........................................................

## Form 3 – References

*Please list, as references, the names and addresses to which you/your firm has/have performed stevedoring and lightering services in the last three (3) years. These References shall be supported by separate letters issued by the Referees addressed to Chairman, SCAPC.*

|  |  |  |
| --- | --- | --- |
| a. | Firm Name:  |  |
| Address: |  |
| Business Relationship: |  |
| Contact Name:  |  |
|  |
| Phone/Email: |  |
|  | Quantity discharged (onboard stevedoring) and lightered: |  |

|  |  |  |
| --- | --- | --- |
| b. | Firm Name:  |  |
| Address: |  |
| Business Relationship: |  |
| Contact Name:  |  |
|  |
| Phone/Email: |  |
|  | Quantity discharged (on board stevedoring) and lightered: |  |

|  |  |  |
| --- | --- | --- |
| c. | Firm Name:  |  |
| Address: |  |
| Business Relationship: |  |
| Contact Name:  |  |
|  |
| Phone/Email: |  |
|  | Quantity discharged (on board stevedoring) and lightered: |  |

Bidder’s Signature...........................................................

## Form 4 – Financial Status of Bidder

1. *Bidder shall summarize actual assets and liabilities in U.S. dollar equivalent (at the rates of exchange that prevailed at the end of each year) for the last three (3) consecutive financial years.*

|  |  |  |  |
| --- | --- | --- | --- |
| **Financial information in USD equivalent** | **Financial Year 1** | **Financial Year 2** | **Financial Year 3** |
| 1.  | Total assets |  |  |  |
| 2.  | Current assets |  |  |  |
| 3.  | Total liabilities |  |  |  |
| 4.  | Current liabilities |  |  |  |
| 5.  | Sales |  |  |  |
| 6.  | Ordinary Profits |  |  |  |
| 7.  | Profits before taxes |  |  |  |
| 8.  | Profits after taxes |  |  |  |

*Bidder shall attach annual reports and certified copies of audited financial statements for the last three (3) consecutive years*.

Bidder’s Signature...............................................

## Form 5 –Primary Banker’s Information

*Name, address, and telephone and fax numbers of the company’s bankers who may provide references if contacted by CSC.*

|  |  |
| --- | --- |
| **Items** | **Bidder’s Response** |
| 1. | Name of Bank:Address:Contacts:- Telephone Number:- Telefax Number: | …………………………………………………………..………………………………………………………………..………………………………………………………………..………………………………………………………………..………………………………………………………………..…………………………………………………………………………………………………………………………………… |
| 2. | Name of Bank:Address:Contacts:- Telephone Number:- Telefax Number: | …………………………………………………………..………………………………………………………………..………………………………………………………………..………………………………………………………………..………………………………………………………………..…………………………………………………………………………………………………………………………………… |

Bidder’s Signature..................................................

## Form 6 – LITIGATION as the Respondent

*The Bidder shall provide below information on Litigation in Court of Law or Arbitration in which the Bidder is or was involved as the Respondent in the past three (3) years.*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Nature****Litigation / Arbitration** | **Other Party/Parties** | **Cause of Dispute** | **Amount Involved** | **Current Status as of the date of Bidding** |
|  |  |  |  |  |

Bidder’s Signature......................................................

## Form 7 – Additional Information by Bidder

*The Bidder is requested to list below any additional information submitted with the bid such as company brochures, company annual reports and any other relevant information.*

|  |
| --- |
|  |

Bidder’s Signature......................................................

## Form 8 - Details of The Self-Propelled owned/chartered Barges firmly offered to be deployed in to the operation

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Name of the Barge | Name of the Owner | Flag | Year & month Built | Class | Expiry Date of Class | P&I Club | Expiry Date of P&I Cover | DWT(MT) | LOA (M) | Beam (M) | Fully Loaded Draft(M) | Beam (M) | Max Draft (M) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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Bidder’s Signature......................................................

# Section 5: Annexures to Instructions to Bidders

## Annex 1: Letter of Bid

REFERENCE: CLAUSE 7.0 (i) IN THE INSTRUCTIONS TO BIDDERS

TO:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(CSC)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_This document presents response of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Bidder) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 to the INVITATION FOR BIDS NO. CSC/2024/T/Coal/L/1 of Ceylon Shipping Corporation Limited (CSC).

This document represents our firm and binding offer to contract with CSC for lightering of coal (including on board stevedoring, cleaning of ship holds and barge holds deploying necessary Floating Crane/s if required, deployment of essential Pay Loaders, skilled labour, mobilisation and demobilisation of barges and other equipment) at the Base Lightering Rate and Address Commission indicated in the Annex 5 of the Bid on the terms and conditions specified herein and in the INSTRUCTIONS TO BIDDERS and the DRAFT LIGHTERING AGREEMENT.

If selected for award, we shall be bound to lighter coal in the Puttalam port pursuant to (a) an executed LIGHTERING Agreement (b) our Offer as accepted by CSC as per our Rates Offer in the Annex 5.

We agree to abide by this Letter of Bid until \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (date and time) and it shall remain binding upon us and may be accepted at any time before that date. We acknowledge that all documents submitted with our Bid shall form part of this Letter of Bid.

Unless and until the LIGHTERING Agreement is executed, this Letter of Bid, together with CSC’s written acceptance thereof, shall constitute a binding contract between us.

We understand that CSC is not bound to accept the lowest or any Bid CSC may receive.

(In case of a Joint Venture) We, as Joint Venture Partners, undertake that our liabilities shall be joint and several.

BIDDER:

Company Name : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

By : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Authorized Signature)

(Please affix company seal here)

Name : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

## Annex 2: Specimen Form of Bid Security

REFERENCE: CLAUSE 7.7 INSTRUCTIONS TO BIDDERS

IFB No. CSC/2024/T/Coal/L/1

Name and address of Beneficiary\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (CSC)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (whom the Bid documents define as the Buyer).

We have been informed that \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (hereinafter called the “Bidder”) is submitting a Bid for a contract for supply of coal in response to your invitation under Invitation For Bids No.\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_, and that the conditions of your invitation which are set out in a document entitled Instructions to Bidders require its Bid to be supported by a Bid security.

At the request of the Bidder, we *(name of bank)* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ hereby irrevocably undertake to pay you, the Beneficiary/Buyer, any sum or sums not exceeding in total the amount of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (say:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_)upon receipt by us of your demand in writing and your written statement (in the demand) stating that:

1. the Bidder has, without your agreement, withdrawn its Bid after the latest time specified for its submission and before the expiry of its period of validity, or
2. the Bidder has refused to accept the correction of errors in its Bid in accordance with such conditions of invitation, or
3. Having been notified of acceptance of its Bid during the validity period of bid validity;

(i) the Bidder fails or refuses to execute the coal supply agreement or

(ii) the Bidder fails or refuses to furnish the Performance Security, in accordance with Instructions to Bidders

Any demand for payment must contain your signature(s) which must be authenticated by your bankers or by a notary public. The authenticated demand and statement must be received by us at this office on or before ………………………when this guarantee shall expire and be returned to us.

This guarantee is personal to you and is not assignable. This Bid Security shall be governed by the laws of Sri Lanka.

Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_ Signature(s) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

## Annex 3: Form for Performance Security

REFERENCE: CLAUSE 10.3 INSTRUCTIONS TO BIDDERS

[On the letterhead of the issuing bank]

[Date]

To: [Buyer]

Dear Sirs,

**[Issuing Bank]**

**Account: Seller**

1. We, the undersigned Issuing Bank, understand that:

(a) You, the Buyer, entered into a Coal Supply Agreement (the ***Agreement***) dated \_\_\_\_\_\_\_\_\_, as amended with Seller; and

(b) Under the Agreement the Seller must provide to you a performance security.

At the request of the Seller, we *(name of bank)*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ hereby unconditionally and irrevocably undertake as primary obligator and not as surety merely to pay you, the Beneficiary/Buyer, any sum or sums not exceeding in total the amount of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (the “guaranteed amount”, say: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ) upon receipt by us of your first demand in writing without your needing to prove or to show grounds or reasons for your demand for the sum specified therein.

We hereby waive the necessity of your demanding the said debt from the Seller before presenting us with the demand.

We further agree that no change or addition to other modification of the terms of the Agreement to be performed thereunder or of any of the document which may be made between you and the Seller shall in any way release us from any liability under this guarantee, and we hereby waive notice or any such change, addition or modification.

\*Any demand for payment must contain your signature(s) which must be authenticated by your bankers or by a notary public. The authenticated demand and statement must be received by us at this office on or before *(the date 70 days after the expected expiry of the Term of the Agreement)*\_\_\_\_\_\_\_\_\_ (the “expiry date”), when this guarantee shall expire and shall be returned to us.

This guarantee is personal to you and your legal successors, and is not assignable. This guarantee shall be governed by the laws of Sri Lanka.

Date \_\_\_\_\_\_\_\_\_ Signature(s)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

## Annex 4:Form of Power of Attorney

REFERENCE: CLAUSE 7.9 IN THE INSTRUCTIONS TO BIDDERS

**Note:**

The Bidder shall attach a ***Power of Attorney***, duly authorized by a Notary Public, indicating that the person(s) signing the Bid have the authority to sign the Bid and that the Bid is binding upon the Bidder during the full period of its validity in accordance with ITB Clause 7.8.

## Annex 5: Rates Offer

REFERENCE: CLAUSE 7.5 INSTRUCTIONS TO BIDDERS

INVITATION FOR BIDS NO :…………………………………………………………………………..

Bidder : -------------------------------------------------------------------------

This document presents the Bidder’s PRICE PROPOSAL in response to and based upon CSC's INVITATION FOR BIDS NO.….. along with the Bid Security constitutes a firm and binding offer to contract with CSC on lighting of Coal in the port of Puttalam, Sri Lanka for 02 Contract Years from mid-September 2024 to mid-May 2026 and an extended period of 02 Contract Years at the sole discretion of CSC.

**PRICE OFFER**

We hereby submit our Price Offer as follows; per MT;

|  |  |  |
| --- | --- | --- |
| **Bidding Quantity per Contract Year** | **Base Lightering Rate for Discharging Using Ships’ Cranes (including Address Commission for CSC)** | **Address Commission Offered to Ceylon Shipping Corporation Ltd.** |
| 2,250,00010% MT | USD/LKR …………………….………….… Per MT(in words)USD/LKR…………………………….…….…………………………….…………………………..………………………………………….. Per MT  | USD /LKR…………………….………….… Per MT(in words)USD/LKR…………………………….…….…………………………….…………………………..…………………………………………..Per MT  |

Note: Rates include all port charges for the SPBs and LKR quoted bids will be considered preferably.

This offer is irrevocable until ………………………….... and CSC may accept this offer at any time prior to, the date and time indicated in the LETTER OF BID.

**BIDDER:**

Company Name : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

By : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (Authorized Signature)

Name : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Please affix company seal here.

Witnessed by : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Witnessed by : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

## Annex 6: Addenda Receipt

REFERENCE: CLAUSE 6.0, INSTRUCTIONS TO BIDDERS

CEYLON SHIPPING CORPORATION LIMITED

INVITATION FOR BIDS NO: CSC/2024/T/Coal/L/1

BIDDER:

We, the undersigned hereby acknowledge that the revision, and/or supplemental information and explanation set forth in this Annex has been incorporated into the preparation of our Bid and shall be deemed to form a part of the Lightering Agreement Documents.

Addendum No. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ dated \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Addendum No. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ dated \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Addendum No. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ dated \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Note : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

FOR AND ON BEHALF OF

(BIDDER’S NAME)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 (Authorized Signature)

Name :

Position :

Place and Date :

# Section 6: Agreement

**Stevedoring and Lightering Agreement between Ceylon Shipping Corporation Limited and XXX**

This Agreement is made and entered into on this …… 2024 by and between Ceylon Shipping Corporation Limited., duly registered under the Companies Act No. 7 of 2007 of Sri Lanka bearing company registration number PB/227 and having its registered office at MICH Building No. 27, Sir Razik Fareed Mawatha (formerly Bristol Street), Colombo 00100, Sri Lanka (hereinafter referred to as ‘CSC’) of the one part

and

…....... (Hereinafter referred to as.......) duly registered under the laws of …. bearing company registration number …….. and having its administrative office at ……… of the other part, together the “Parties,”

And whereas, by virtue of the decision of the Cabinet of Ministers of the Government of Sri Lanka , CSC is the lightering contractor of Lanka Coal Company (Pvt) Ltd. (LCC).

And whereas CSC in pursuant to the said decision has entered into the contract for Shipping & Lightering of coal and the subsequent Addendums thereto with LCC and wishes in partnering with the selected bidder,………. to entrust ……….the contract for discharging of the said cargo from the mother vessels to the Self-Propelled Barges (stevedoring) owned/chartered by ……and the lightering operation of the said cargo at the port of Puttalam from the vessel at anchorage to the Jetty of the Power Station.

In witness to that the mutual covenants and agreements made by and between the parties as follows:

1. **Definitions:**
	1. “Lightering” shall collectively mean on–board stevedoring, lightering of coal from Mother Vessels at the anchorage of port of Puttalam to the Jetty of the Power Station and related Mother Vessel hold cleaning using pay-loaders;
	2. "MT (s)", “tonne” shall mean metric ton(s) of 1,000 kilograms;
	3. "US$, “USD” shall refer to the lawful currency of the United States of America;
	4. A fraction of a cent in any calculation shall be rounded up to a cent if such fraction is one half of a cent or more, and shall be rounded down if otherwise;
	5. A fraction of a MT in any calculation shall be rounded up to a MT if such fraction is one half of a MT or more, and shall be rounded down if otherwise;
	6. “Working day” shall mean a day (other than Saturday, Sunday or public holidays) on which banks are open for business in Sri Lanka;
	7. “Jetty” shall means the Jetty of the Lakvijaya Power Station at Puttalam, Sri Lanka;
	8. “NOR” mean Notice of Readiness of the vessel to unload coal;
	9. “SPB” shall mean Self-Propelled Barge owned or chartered or provided by xxx having valid Registration Certificates, Classed under one of the Classes of the International Association of Classification Societies (IACS), other trading certificates and Protection and Indemnity Insurance Covers and having valid permission from the Director General of Merchant Shipping (hereinafter referred to as DGMS) of Sri Lanka for lightering operations at the said location or registered under the Sri Lanka Flag;
	10. “SPBs” shall mean Self-Propelled Barges (plural);
	11. “Mother vessel” shall mean bulk carrier ships having cranes.
	12. “Season” shall mean the period from mid-September to mid-May in each Contract Year, subject to adjustment on mutual agreement.
2. **Lightering location**
	1. Anchorage in the port of Puttalam Sri Lanka within the limit of the Port Area gazetted by Sri Lanka Government, is around the location of approximately 08o 00’ N, 079o 40’ E.
	2. Discharging terms at the Jetty shall be “Free-Out.”
3. **Quantity**

The Volume of coal shall be about 2,250,000 MT +/- 10% or as specified by LCC considering the requirements of the end-user Ceylon Electricity Board (hereinafter referred to as CEB).

1. **Lightering period and the lightering rate**
	1. The periods of this contract shall be from mid-September 2024 to mid-May 2025 and mid-September 2025 to mid-May 2026. This agreement may be extended for a further two (02) Seasons at the sole discretion of the CSC subject to approvals of Cabinet of Ministers of the government of Sri Lanka. The Terms, Conditions and the Base Lightering Rate mentioned here in this Agreement shall be valid for the extended Contract Season of 2026/27 and for the season 2027/28 , if CSC declares its decision to extend the Contract at the sole discretion of CSC subject to approvals of Cabinet of Ministers of the government of Sri Lanka.
	2. All inclusive Lightering rate (stevedoring and lightering)

All inclusive Lightering rate payable by CSC to………shall be USD …. Per MT on the B/L quantity of each mother vessel, exclusive of all levies and taxes in Sri Lanka.

1. **Lightering Rate Adjustment Formula**

The initial Base Rate for lightering shall be varied depending on the domestic Diesel price in Si Lanka as follows. The Diesel price of Ceylon Petroleum Corporation is considered as the Index for bunker fuel for SPBs.

Base month will be ……….. 2024.

Whenever the Diesel price is revised (upward or downward) more than 3%, lightering rate shall be adjusted accordingly based on the proportion of fuel cost in the overall cost.

The current quantum of fuel cost of SPBs is estimated to be 10 % of the overall cost.

Accordingly, Base Rate for lightering shall be revised as per the following formula depending on domestic Diesel price:

BR = Initial Base Rate for lightering

A = Base Price of Diesel Rs. …… per litre

C = Actual Average Price of Diesel in the preceding month to the month which includes the Lightering Completion Date of the relevant shipment

BC = 0.10

BF = Bunker Adjustment Factor

RA = Applicable Barging Rate

BF = [(C-A)/A]\*BC

RA = BR\*[1+BF]

1. **Address Commission Payable by xxx to CSC**

The Address Commission USD ……. per MT payable to CSC by ……… shall be fixed for the term of Contract irrespective of any fluctuation of Base Lightering Rate due to fluctuation of fuel prices. Further, Address Commission payable by …………to CSC on despatch charges shall be 5% (five present) on each payment. CSC shall deduct the Address Commission when making the payments for despatch to …………..

1. **Other terms and Conditions**
	1. ………… shall issue a Boat Note for each and every SPB indicating the approximate weight of the coal loaded in to each SPB signed by the Stevedoring Supervisor of ………… and Chief Officer of the mother vessel. The daily total quantity lightered by all SPBs shall tally with the daily total quantity discharged from the mother vessel as per the draft survey report prepared by the Chief Officer. The final total of quantities of coal loaded in each SPB shall tally with the B/L quantity.
	2. The minimum Deadweight (DWT) of the SPBs shall be 1550 MT, each and the aggregate DWT of all the SPBs shall be 12,000 MT at any time. In the event the minimum aggregate DWT is not available for the lightering operations at the port of Puttalam, a penalty of USD 500/- per day pro rata per SPB, which is out of operation, shall be deducted from the payment of lightering charges due to ……… by CSC, after a grace period of 08 hours required for any repair of SPB/s.
	3. …………….. shall ensure that suitable SPBs in agreed numbers and total DWT to discharge at the agreed discharge rate mentioned below shall be ready in all respect for undertaking stevedoring and lightering operations in the Puttalam port 03 days before arrival of the first Mother Vessel at the port of Puttalam on or around 15th September, 2024, which will be notified to the parties in advance in due course.

Discharge rate at the anchorage on ‘free-out’ basis from Mother Vessel to be achieved by …….. shall be 10,000 MT using ship’s Cranes per wwd of 24 consecutive hours Saturdays, Sundays and holidays included (sshinc) except on major holidays in Sri Lanka described below.

Minimum grab capacity of the Mother Vessels shall be minimum 04 x 10 CBM.

Minimum discharge rate shall not be less than 10,000 MT pwwd of 24 consecutive hours sshinc.

Holidays in Puttalam Port

01 (One) day for National Day 04th February

01 (One) day for Holy Prophet’s Birth Day to be declared each year in April

01 (One) day for Sinhala/Tamil New Year to be declared each year in April

01 (One) day for May Day 01st May

01 (One) day for Vesak Full moon Day to be declared each year in May

01 (One) day for Christmas 25th December

If the discharging is carried out during aforesaid holidays, only the actual working time shall count as laytime and another vessel under discharging shall be deducted from the laytime of the vessels waiting for discharging.

* 1. Discharge rate at the Jetty of the Power Station on ‘free-out’ basis to be achieved by the receiver CEB shall be 13,200 MT pwwd of 24 consecutive hours sshinc except on major holidays in Sri Lanka mentioned above in Clause 7.3.
	2. The mooring/unmooring gang at the Jetty engaged by LCC/CEB will do the mooring of SPBs when …….. berth SPBs safely at the Jetty; and unmooring of SPBs after completion of discharging of barges.

The Jetty shall have minimum 02 gantry cranes at the discharging berth.

* 1. All expenses on mobilization/de-mobilization of all SPBs to Sri Lanka and back shall be on ………..’s account.
	2. No escalation of stevedoring and lightering rate shall be made during the contract period.
	3. All repair and maintenance costs of SPBs and pay-loaders to be deployed by ……… shall be on ………..’s account.
	4. …………. shall clean all the mother vessel holds after completion of discharging of each mother vessel to the satisfaction of Masters of vessels using their pay-loaders/operators.
	5. At least 02 numbers of Pay-loaders required for the discharging operation at anchorage shall be engaged by ………. at any time in order to achieve the agreed discharge rate mentioned in the Clause 6.3. In the event 02 Pay-loaders are not available for the lightering operations at the port of Puttalam, a penalty of USD 200 per day pro rata per Pay-loader, which is out of operation, shall be deducted from the payment of lightering charges due to ……….. by CSC, after a grace period of 06 hours required for any repair of Pay-loaders/s.
	6. ……….. shall ensure that all SPBs shall be Classed under one of IACS (International Association of Classification Societies) Classes and shall have valid Class and other trading certificates during the entire period of lightering operations to the satisfaction of the authorities in Sri Lanka i.e. DGMS, Sri Lanka Ports Authority (SLPA), Sri Lanka Navy (SLN), CSC, LCC, CEB or any other regulatory agency throughout the entire period of operations.
	7. ………… shall be responsible to obtain the approval from the DGMS/Ministry of Shipping for operation of foreign flagged SPBs in the port of Puttalam and shall carry out ISPS/SLPA formalities and obtain approvals to enter the port of Puttalam promptly.
	8. CSC shall not pay any dead freight or demurrage/detention charges for the SPBs, to …………….
	9. Payment terms for lightering charges:

………….. shall invoice CSC after completion of lightering of each mother vessel at the Jetty with supporting documents and CSC shall effect the payment within 10 working days after receiving the invoice from………... No advance payments of lightering charges will be made by CSC to ……………..and no any surcharge/interest

* 1. All vessels should have valid standard P&I Insurance covering following liabilities throughout the entire period of operation, cost of which shall be on …………’s account.
1. Wreck removal
2. Port/jetty property damages liabilities
3. Oil pollution
4. Crew liabilities
5. Cargo liabilities
6. Third party liabilities
	1. . …….. shall be solely responsible for mother vessels’ demurrages and dispatch at one half of the demurrage rate, except for any demurrage attributable to the delays at the Jetty of the Power Station.

However, demurrage/despach rate to be decided at vessel nomination stage based on the Average Supramax / Panamax Trip Charter Daily Earnings as per Clarkson Shipping Intelligence Weekly Reports which also relevant as applicable for the preceding month.

* 1. The method of assessment of demurrage liability attributable to the Jetty of the Power Station shall be as per the attached Method Statement as Annexure 1 and 2 of the bidding documents, which shall be a part and parcel of this Agreement. CSC shall notify demurrage/dispatch rate to ……….. when declaring/nominating each vessel details.
	2. The principle of ‘once on demurrage, always on demurrage’ shall apply for mother vessels even under force majeure situations.
	3. Demurrage incurred due to overlapping arrivals of the vessels will not be on …..’s account. However, if any overlapping of vessels occurs due to the fault of …….., demurrage so incurred shall be on the account of ………. and shall be payable by ………...
	4. If any mother vessel has incurred demurrage after expiry of laytime for any reason, dispatch will not be paid, even if ……….. has discharged any vessel within a time period less than the allowed laytime.
	5. No demurrage/detention charges for SPBs s shall be payable to ……. under any circumstances by CSC.
	6. SPBs shall be promptly moved out/de-mobilized out of the Puttlam port by …….. after completion of the last lightering operation of the last vessel in April/May 2025 and in April/May 2026 since sheltering of SPBs at the Jetty of the Power Station is not possible during the South-West monsoon period.
	7. CSC will not attend to agency related matters of XXX unless CSC is appointed under a separate agency agreement and CSC shall not pay any other payments such as any repairs/maintenance expenses, fuel, lubricants, fresh water, mooring ropes, fenders of SPBs, any surveyor requirements of SPBs etc. to ……., other than the agreed all inclusive lightering rate.
	8. All expenses on repairs & maintenance of SPBs, fuel, lubricants, fresh water, mooring ropes, mobilization /de-mobilization costs to/from Sri Lanka, agency fees, costs of food and lodging for the staff / employees of ……..etc. shall be on ……..’s account.
	9. ……..shall make their own arrangements to supply fuel to the SPBs by road bowsers or by bunker barges without disrupting the operations at the Jetty at their time risk and expense, subject to prior written approval of the jetty owners/operators – CEB.
	10. …….. has to facilitate passage to/from mother vessels for the authorities (Customs/Immigration/Sri Lanka Navy / Draft Surveyor and mother vessel agents etc.) for carrying out arrival/departure formalities and as and when necessary, free of charge all the time, on arrival/departure and as and when required, with necessary P&I cover for such passengers.
	11. ………….. shall immediately replace SPBs, if any of the SPBs become technically not fit to undertake the lightering operation during the period of operation, with suitable substitute SPBs having valid Class/trading certificates, H&M and P&I insurance as mentioned in other Clauses 6.15 in this agreement.
	12. …………shall guarantee that the SPBs to be deployed shall be suitable for the location/weather/operation/Jetty in all respect such as (DWT / LoA / Beam / Breadth / Depth / Draft / Air Draft / speed etc.) before mobilization. CSC shall not take any responsibility on the suitability of vessels for the intended operation. However, CSC may inspect the technical condition of vessels by an inspection / survey by CSC surveyors before mobilization at CSC’s discretion. Any inspection of SPBs by CSC appointed surveyors shall not absolve ……… of their responsibility to ensure the suitability of SPBs in all respect for the intended operation at the port of Puttalam, Sri Lanka.
	13. About 06 - 07 vessels are scheduled to arrive at the Puttalam port anchorage each month with a capacity of about 60,000 MT +/- 10%. It is the responsibility of ……… to carry out the lightering operation during the allowed laytime period in order to avoid demurrage.
	14. ……..shall be prepared to discharge 02 vessels simultaneously with sufficient gangs in the event that the discharging facilities at the Jetty is improved during the tenure of the Agreement, enabling to discharge 02 vessels in tandem with a view to minimizing vessel demurrage.
	15. If there is one or more vessel is/are waiting at anchorage for the turn to discharge, and the vessel under discharging operation has completed 03 holds out of 05 holds or 05 holds out of 07 holds; the idling 02 gangs shall be shifted to the waiting vessel to commence discharging in order to minimize / save time.
	16. Sri Lanka Ports Authority charges, if any, on SPBs at the port of Puttalam shall be borne by ……….
	17. **Visa**

All officers/ratings who are serving on board SPBs should have necessary valid visas and other competency certificates and ……….shall engage the minimum manning requirement as per the rules/regulations of Immigration and Emigration Dept. of Sri Lanka, DGMS, Sri Lanka and STCW requirements

No unskilled expatriate labour shall be utilized by the selected partner. If employment of any unskilled expatriate laborers may be required, it shall be with the prior written consent of CSC, subject to obtaining necessary Resident Visa/Work Permit after following the due Visa application procedure. The responsibility to obtain the necessary Resident Visa/Work Permit for skilled expartriate workers totally lies with the selected partner. CSC may only assist to provide any necessary documents to obtain Resident Visa/Work Permit, but will not bear any cost associated with such process.

* 1. The unloading cranes of the mother vessels shall be operated by qualified personnel employed by ……and when discharging, ……….. shall ensure that unloading grabs shall be lowered very close to the bottom of the barge to avoid spillage or windblown coal dust.
	2. Under Section 114 of the Merchant Shipping Act No. 52 of 1971, no foreign flagged vessels shall be allowed to operate in Sri Lankan coastal waters unless the necessary dispensation from the Minister in charge of the subject shall grant exemption to operate foreign flagged SPBs in the port of Puttalam. Therefore, the selected Lightering Partner shall timely register the SPBs under Sri Lanka flag or shall obtain the said dispensation upon signing of the Agreement and prior to commencing of lightering operations.
	3. ……….. shall provide all crew engaged on SPBs and Sri Lanka Govt. officers, agents, surveyors etc. going on board for arrival/departure formalities with necessary safety equipment/appliances.
	4. ………. shall comply with all the rules/laws/regulations of the Government of Sri Lanka and the instructions, which may be given by CSC/LCC/CEB/any other regulatory agency from time to time during the operation.
	5. …………shall abide by all safety and any other instructions that will be issued by CEB (who is the owner and operator of the Jetty), from time to time.
	6. It is the responsibility of …….. to deploy a suitable number of pay- loaders to collect and pile up the coal inside the hatches of the mother vessels and SPBs, to facilitate the grabs of the cranes to pick up the cargo.
	7. …….. shall clean all the hatches of mother vessels after completion of each and every discharging operation to the satisfaction of the Master of the mother vessels.
	8. …../CSC/LCC/CEB shall maintain Daily Operational Log sheets for the Jetty and the anchorage separately and an authorized signatory from XXX shall sign Daily Operational Logs, on behalf of the ……. and Statements of Facts to be prepared by the mother vessel agent, which shall be final and binding on all parties.
1. **Conditions Precedent**

The obligations of …… to commence lightering operations or the CSC to obtain the lightering services from ……. pursuant to this Agreement shall become effective on the date when the seller has established the Performance Security within ….. days of receipt of the Letter of Acceptance.

1. **Performance Security**

……… shall issue a Performance Security for an amount of USD ….. as specified in the Bid Data Sheet. The Performance Security shall be in the form of a bank guarantee as per the format attached as Annexure 3 in the Instructions to the Bidders in the Bidding Documents, issued by a bank operating in Sri Lanka, approved by the Central Bank of Sri Lanka, or a bank in another country, but the security confirmed by a bank operating in Sri Lanka before mobilizing the SPBs.

1. **Stevedore Damages**

CSC shall not be responsible for stevedore damages which the mother vessels may sustain at the port of Puttalam. ……. shall indemnify and hold CSC harmless from any and all losses, claims, actions, costs, expenses, judgments, subrogation, or other damages resulting from injury to any person or damage to property of whatsoever nature of any person arising out of or incident to the performance of the work to unload cargo into the SPBs. Any time lost due to stevedore damage shall be on ……’s account.

If …….. refuses to accept the responsibility of the stevedore damage when the vessel Master issue any “Damage Report” or “Note of Protest” against stevedores, ….. may arrange an independent surveyor to settle the dispute before vessel departure. Any time lost due to waiting for surveyors or the survey of the damage/s shall be on account of …….., if the surveyor is appointed by …….

1. ……shall comply and act within the latest guidelines/regulatory frame work enforced by the environmental or any other national or international authority or CSC or LCC or CEB to prevent/minimize environmental pollution and health hazards. The implementation costs, if any, in this connection shall be on ……..’s account. ……….. shall be vigilant of such rules and regulations and …… shall promptly comply with such rules/regulations.
2. **SPBs of CSC**

CSC intends to build / purchase SPBs for its fleet of vessels. In case CSC takes the delivery of such SPBs during the tenure of the Agreement, CSC must employ built SPBs for this operation on time charter basis with the selected Partner under considering market condition.

1. **Assignments and Modifications**

Neither party shall assign the whole or any part of the contract or any benefit or interest in or under the contract.

Any alternation or amendment or modification shall be on mutual consent of both parties and it shall be reduced to writing.

1. **Force Majeure**

An ***Event of Force Majeure*** shall mean any circumstances not within the reasonable control, directly or indirectly, of the party affected, but only if and to the extent that (i) such circumstances despite the exercise of reasonable diligence, cannot be or be caused to be prevented, avoided or removed by such party, (ii) such event materially adversely affects the ability of the affected party to perform its obligations under the Agreement, and the affected party has taken all reasonable precautions, due care and reasonable alternative measures in order to avoid the effect of such event on the affected party's ability to perform its obligations under the Agreement and to mitigate the consequences thereof, (iii) such event is not the direct or indirect result of the failure of such party to perform any of its obligations under the Agreement and (iv) such party has given the other party prompt notice describing such events, the effect thereof and the actions being taken in order to comply with this Clause provided that Events of Force Majeure shall not include strikes, lockouts or other industrial action by non-manual personnel of the party seeking to invoke that Event of Force Majeure or of such party's agents or contractors.

1. **Notices**

Any written notice requiring to be served hereunder shall be sufficiently served by sending such notice by e-mail or fax or courier or registered mail addressed to and forwarded to the party at its last known address.

With Respect to the ....... the contact information is:

………..................................

With Respect to the CSC the contact information is:

……….......................................

Ceylon Shipping Corporation Ltd.

No. 27, MICH Building

Sir Razik Fareed Mawatha (formerly Bristol Street)

Colombo 00100

Sri Lanka

Phone: +94 11 2328772/3

Mobil: +94 71 0215702

Fax: +94 11 2447547

Email: dantha@cscl.lk

1. **Confidentiality**

The terms of the Agreement, any information provided by one party to another in the course of negotiation of the Agreement or any further negotiations among the parties, and any further terms agreed among the parties (collectively the Confidential Information) shall remain confidential to the parties and shall not be disclosed, or used otherwise than for the performance of the parties respective obligations under the Agreement, without the specific written agreement of both parties provided that a party may disclose the Confidential Information to the extent required by law.

1. **Applicable Law**

This Agreement shall be governed only by the laws of the Democratic Socialist Republic of Sri Lanka under Sri Lankan Jurisdiction.

1. **Arbitration**

Any dispute under or arising out of this Agreement shall be referred to a single arbitrator in Sri Lanka in accordance with the Sri Lankan Arbitration Act No 11 of 1995 or any statutory modification or re-enactment thereof for the time being in force.

1. **Termination**

This agreement shall be terminated upon giving 30 days written notice by CSC in the event of a major breach of any of the condition of this agreement by ...... or due to poor performance of lightering operation.

IN WITNESS WHEREOF the Ceylon Shipping Corporation Ltd. and ........ have set their respective Common Seals affixed and respective hands hereto and to three others of the same tenor and date at Colombo on this …. day of ……….

In the presence of Witnesses:

 1………………………….

 2………………………………….

The Common Seal of ……….

has been affixed hereto in the presence of the,

 .

In the presence of Witnesses: 1………………………….

 2. …………………………

Annexure 1 to the Agreement

**Method Statement to Ascertain any Delay at the Jetty of Lakvijaya Power Plant, Puttalam in Coal Lightering Operation**

Step 1: If the average unloading rate from the vessel at the anchorage is 10,000 MT pwwd in 24 consecutive hours sshinc, as per the S.O.F and the laytime calculation, there will not be vessel demurrage.

Step 2: If the average unloading rate from the vessel at the anchorage is less than 10,000 MT pwwd in 24 consecutive hours sshinc and the vessel has incurred demurrage, to follow Step 3 to ascertain whether there was any delay at the Jetty.

Step 3: Laytime for the Jetty will be calculated as per the attached Sample Jetty Laytime calculation sheet. Discharge rate at the Jetty is 13,200 MT per weather working day of 24 consecutive hours sshinc.

1. “Used Time” of each barge = the time from ‘All Fast’ at the Jetty under the unloading cranes by CEB to the “Time of Completion of Discharging” of the particular barge at the Jetty
2. Total “Used Time” at the Jetty = the sum of “Used Time” of each and every barge at the Jetty
3. Total “Allowed Time” at the Jetty = Quantity as per the B/L divided by 10,000 MT
4. Any period of bad weather, which interfered discharging at the Jetty or would have interfered discharging at the Jetty, if the discharging was in progress, that period will be deducted from the “Used Time”
5. If the Jetty has achieved average 13,200 MT per day during the total “Allowed Time” after deducting weather delays, CSC will not be responsible for vessel demurrage and the vessel demurrage incurred, if any, will be on XXX’s account.
6. If the Jetty has NOT achieved average 13,200 MT per day during the total “Allowed Time” after deducting weather delays, CSC will be responsible for vessel demurrage ONLY TO THE EXTENT OF DELAY IN DISCHARGING AT THE JETTY. XXX shall be responsible the balance demurrage, if any.
7. Laytime running at the Jetty shall cease at the time of ceasing of discharging of the mother vessel at the anchorage.
8. 5% address commission on dispatch money for CSC byXXXXX if any shall be deducted on each payment.

Note:

1. The principle of ‘once on demurrage, always on demurrage’ shall apply for mother vessels even under force majeure situations.
2. In calculation of mother vessel demurrage at the anchorage, weather delays and any delay due to crane breakdowns will be deducted from the laytime used, as recorded in the SOF.
3. Master of the vessel shall tender Notice of Readiness (NOR) any time day and night Saturday, Sunday, holidays including, by telefax/email, after arrival at the designated transhipment anchorage in Puttalam port, whether in free pratique or not, to CSC with copy to Lightering …….. Laytime shall commence after 12 hours Turn Time after tendering of NOR.
4. If the vessel was ordered to wait outside limit of port of discharge (Out of Port Limit of port of Colombo/Puttalam), master shall tender NOR after anchoraging at such OPL and the laytime shall count after the tern time of 12 hours if the master tenders NOR out siade the port limits as aforesaid, the shifting time from time of anchorage aweight at such out port anchorage until the time of anchoring at the designated discharging anchorage at Puttalam port shall not count as laytime or time on demurrage
5. Mother vessel laytime shall cease at the time of the completion of final Draft Survey after completion of discharging. Whether delays recorded in the SOF of the vessel under discharging shall be deducted from the laytime of the vessels waiting for discharging, unless already on demurrage.

5. In case if overlapping or bunching occurred due to two or more vessels are at anchorage for cargo discharging, In such case vessel/s is/are ordered to tender NOR at Puttalam OPL or Colombo OPL, Laytime to count from NOR tendered location ( Puttalam OPL or Colombo OPL) and shifting time from OPL to anchorage is deducted to count laytime.

6. In case if vessel are arriving at anchorage after 1600hrs and if officers ( Customs, Immigration, Port health Officer, Agent and Draft Surveyor) are unable to get onboard the vessel due to safety reason after 1600hrs, turn time shall be extended till Free Pratique granted on next day at earliest time.

7. Departure documents (SOF, daily discharging reports and bought notes etc., ) to be completed within 02hrs after completion of discharging. If any case, Lightering partner takes more than 02hrs to complete departure documents due to disputes, such time on lightering partner Account.

8. If any dispute arises between Lightering partner and the Master of the vessel during discharging occurred, such disputes should be settled before completion of discharging.

9. If Lightering partner expects to appoint independent surveyor due to dispute with the vessel, such appointment and inspections should be done before completion of discharging.