

DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

Ministry of Transport, Highways, Ports & Civil Aviation

CEYLON SHIPPING CORPORATION LTD
(Sri Lankan Government Wholly Owned Company)



INSTRUCTIONS TO BIDDERS (ITB)

**PROTECTION & INDEMNITY (P&I) AND FREIGHT, DEMURRAGE & DEFENCE
(FD&D) INSURANCE COVERS FOR THE VESSELS: "CEYLON BREEZE" AND
"CEYLON PRINCESS" OF CEYLON SHIPPING CORPORATION LTD-2025/2026**

Tender No. CSCL/L&I/P&I & FD-D/20/01/2025

Ceylon Shipping Corporation Ltd
No.27, MICH Building,
Sir Razik Fareed Mawatha (Former Bristol Street)
Colombo 00100.
Sri Lanka

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INVITATION TO BIDS FOR PROTECTION & INDEMNITY (P&I) AND FREIGHT, DEMURRAGE & DEFENCE (FD&D) INSURANCE COVERS FOR THE VESSELS: "CEYLON BREEZE" AND "CEYLON PRINCESS" OF CEYLON SHIPPING CORPORATION LTD-2025/2026

1. Invitation for Bids

Ceylon Shipping Corporation Limited (CSCL), a fully government-owned commercial entity, hereby invites sealed quotations from qualified and experience local insurance companies to submit bids for providing Protection & Indemnity (P&I) and Freight, Demurrage & Defence (FD&D) insurance covers for its owned vessels, Mv. Ceylon Breeze and Mv. Ceylon Princess, for the period commencing 24:00 hours on 20th February 2025 to 24:00 hours on 20th February 2026.

A. Vessel Details

Name	Ceylon Breeze	Ceylon Princess
IMO No.	9734563	9734575
Type	Bulk Carrier	Bulk Carrier
Year of Manufacture	2016	2016
GT	36,700	36,700
DWT	63,600	63,600
Builder	China, AVIC Weihai	China, AVIC Weihai
Classification Society	DNV	DNV
Flag and Port of Registry	Sri Lanka, Colombo	Sri Lanka, Colombo

B. Current P&I Club: Steamship Insurance Management Services, Aquatical House, No. 39, Bell Lane, London, E1 7LU, UK.

C. Trading Limits: Worldwide, excluding Joint War Committee (JWC) designated areas.

2. Scope of Insurance Cover

A. Protection & Indemnity (P&I) Cover: Comprehensive liability coverage, including but not limited to crew claims, pollution, wreck removal, cargo liabilities, fines, and collision liabilities (both 1/4th and 4/4th).

B. Freight, Demurrage & Defence (FD&D) Cover: Legal cost coverage for disputes related to the operation of the vessels, including charter party disputes, cargo claims, and other operational matters.

3. Bid Requirements

3.1 Quotation Details:

A. Separate rates for:

- Including 1/4th Collision Liability.
- Including 4/4th Collision Liability.

- B. Premium quoted in USD terms with payment terms outlined (refer to Section 6).

3.2 Financial Stability:

- A. Certified copies of Fitch and S&P ratings for the bidder and respective reinsurers.
- B. Audited financial statements of the local insurance company and reinsurers.

3.3 Bid Submission:

- A. Bid with the dully filled **Form A, B.C & D** in a Sealed quotations marked “**P&I and FD&D Insurance Cover of CSCL for 2025/2026**” on the top-left corner of the envelope must be submitted via Registered Cover/Hand Delivery to the address below no later than **14:00 hours on 5th February 2025**.

**Chairman
Department Procurement Committee
Ceylon Shipping Corporation Limited
No. 27, MICH Building,
Sir Razik Fareed Mawatha,
Colombo 01.**

3.4 Bid Security:

- A. A bid security equivalent to 1% of the total contract price (total premium) valid for two months from the bid opening date must be provided by a licensed commercial bank operating in Sri Lanka. The security should follow the format in **Form D**.

3.5 Submission Format:

- A. Quotations must be submitted using **Form B** (Quotation Format) and **Form C** (Compliance Sheet) on the company’s letterhead and signed by an authorized representative.

3.6 Payment Terms:

- A. Premiums will be payable quarterly in LKR terms based on the USD exchange rate on the invoice date.
- B. 50% of insurance claims will be settled in USD terms.

3.7 Bidder Representation:

- A. One representative of the insurance company may attend the bid opening.

4. Evaluation and Award Criteria

- A. Bids will be evaluated on:
 - a. Financial stability of the bidder and reinsurer.
 - b. Coverage offered and adherence to requirements.
 - c. Competitive pricing.
 - d. Track record and claims handling performance.
- B. Only quotations from the head office of respective bidders will be considered.
- C. The decision of the Department Procurement Committee is final and binding. The subject Bid Endorsement should follow the format in **Form A**.

5. Clarifications

For any clarifications or additional information, bidders may contact:

Mr.Y.T.Praboditha
Deputy Manager
Legal and Insurance Division
Tel - 0112-328772/3 (ext 210)
Mobile - 0710215730
e-mail - dm-lni@cscl.lk

**Department of Procuring Committee
Ceylon Shipping Corporation Limited
No.27, MICH Building,
Sir Razik Fareed Mawatha
Colombo 01.**

Annexures:

1. Form A- Bid Endorsement Format
2. Form B-Quotation Format
3. Form C-Compliance Sheet
4. Form D-Bid Security Guarantee Format

(Only on Bidder's Letterhead)
Form A

BID ENDORSEMENT

Tender No. CSCL/L&I/P&I & FD-D/20/01/2025

To: **Department Procurement Committee,
Ceylon Shipping Corporation Limited
No.27, MICH Building, Sir Razik Fareed Mawatha,
Colombo, Sri Lanka**

I/We, the undersigned, hereby confirm our full understanding and acceptance of the terms, conditions, and instructions detailed in the referenced Bid. We further commit to providing the services specified therein, in strict accordance with the terms outlined, and at the premium rate indicated in our policy.

Additionally, we acknowledge that the Company reserves the right, at its discretion, to reject any or all bids or to accept any portion of a bid that best serves the Company's interests, without obligation to provide justification. We also understand that the Company is not required to accept the lowest bid.

Name of the Bidder:		
Bidder's Business Registration No:		
Authorized Signature of the Bidder:		
Name & Title of the Authorized Signatory:		
Address:		
Telephone and Fax Nos.:	Telephone Nos.:	
	Fax Nos.:	
Address:		
Date		
Seal:		

(Only on Bidder's Letterhead)
FORM B

QUOTATION FORMAT

Tender No. CSCL/L&I/P&I & FD-D/20/01/2025

**To: Department Procurement Committee,
Ceylon Shipping Corporation Limited
No.27, MICH Building, Sir Razik Fareed Mawatha,
Colombo 01**

Name of the vessels	Mv. Ceylon Breeze	Mv. Ceylon Princess
Value of the Vessels	US\$.24,667,500.00	US\$.25,300,000.00
Period of Cover	From 24:00 hrs. 20/02/2025 to 24:00 hrs. 20 th February 2026	From 24:00 hrs. 20/02/2025 to 24:00 hrs. 20 th February 2026
Name of the P&I Club		
Premium		
Deductibles / Excess		
Class of Rules		
Limits of Liability for oil pollution*		
Inclusions of Cover *		
Pollution liability*		
Damage to Fixed and Floating Objects *		
Wreck removal*		
Cargo Liability*		
Repatriation Expenses (Maximum)		
Crew Clauses*		
Collision Liability*		
Conditions (applicable clauses)		
Any continuity Credit / NCB		
FD&D Cover		
Premium		
Deductible / Excess		
Any other Clauses		
PAYMENT TERMS		

* Please indicate the applicable Class rules.

*Fitch Rating for the Company – Minimum A Credit rating

*S&P rating for the Re-insurer – Minimum A Credit rating

We hereby declare that we are bound by the above stated conditions & Premiums, throughout the cover period.

Date

Authorized Signatory

Company Frank

(Only on Bidder's Letterhead)
FORM C

COMPLIANCE SHEET

Tender No. CSCL/L&I/P&I & FD-D/20/01/2025

**To: Department Procurement Committee,
Ceylon Shipping Corporation Limited
No.27, MICH Building, Sir Razik Fareed Mawatha,
Colombo 01**

The quotations have been submitted separately (ITB Clause 2 & 3.1)	Yes /No or Agreed/Disagreed	Authorized Signature
<u>Premium</u> (included 1/4 th Collision) P&I FD&D <u>Premium</u> (included 4/4 th Collision) P&I FD&D		
Submission of the certified copy to confirm Fitch rating of the Local Company (ITB Clause 3.2) (Yes/No)		
Submission of the certified copy to confirm the Standard & Poor rating for Re-insurer (ITB Clause 3.2) (Yes/No)		
Submission of the certified documents verifying financial position of local Insurance Company (ITB Clause 3.2) (Yes/No)		
Submission of the certified documents verifying financial position of Re-insurer (ITB Clause 3.2) (Yes/No)		
All the payment terms approved upon awarding of the contract shall continue without any change throughout the period of cover. (Payment due to changes in Govt. taxes , levy & fees etc., are allowed and the insurer must clearly provide specific explanations in this regard.) (ITB Clause 3.5) (Agreed / Disagreed)		
Premium payable to the insurer shall be paid by the insured in LKR based on the USD rate calculated on the date of the Invoice and 50% of the insurance claims shall be paid in USD. (ITB Clause 3.6) (Agreed / Disagreed) (Insurer's proposals regarding claim payment are also considered)		
Submission of Bid Security (ITB Clause 3.4) (Yes/No)		

Date

Authorized Signatory

Company Frank

(Only on Bidder's Letterhead)
FORM D

BID SECURITY GUARANTEE

Tender No. CSCL/L&I/P&I & FD-D/20/01/2025

To: **Department Procurement Committee,
Ceylon Shipping Corporation Limited
No.27, MICH Building, Sir Razik Fareed Mawatha,
Colombo, Sri Lanka**

PROCUREMENT GUIDELINE REFERENCE 5.3.13	
Format for Bid Security Guarantee	
<i>[this Bank Guarantee form shall be filled in accordance with the instructions indicated in brackets]</i>	
----- [insert issuing agency's name, and address of issuing branch or office] -----	
Beneficiary :	-----[insert (by PE) name and address of Employer/Purchaser]
Date :	-----[insert (by issuing agency) date]
BID GUARANTEE No:	-----[insert (by issuing agency) number]
<p>We have been informed that ----- [insert (by issuing agency) name of the Bidder: if a joint venture, list complete legal names of partners] (hereinafter called "the Bidder") has submitted to you its bid dated ----- [insert (by issuing agency) date] (hereinafter called "the Bid") for the execution/supply [select appropriately] of [insert name of Contract] under Invitation for Bids No. ----- [insert IFB number] ("the IFB").</p> <p>Furthermore, we understand that, according to your conditions, Bids must be supported by a Bid Guarantee.</p> <p>At the request of the Bidder, we ----- [insert name of issuing agency] hereby irrevocable undertake to pay you any sum or sums not exceeding in total an amount of ----- [insert amount in figures]-----[insert amount in words] upon receipt by us of your first demand in writing accompanied by a written statement stating that the Bidder is in breach of its obligation(s) under the bid conditions, because the Bidder :</p> <ul style="list-style-type: none">(a) has withdrawn its Bid during the period of bid validity specified ; or(b) does not accept the correction or errors in accordance with the Instructions to Bidders (hereinafter "the ITB") of the IFB ; or(c) having been notified of the acceptance of its Bid by the Employer/Purchaser during the period of bid validity, (i) fails or refuses to execute the Contract Form, if required, or (ii) fails or refuses to furnish the Performance Security, in accordance with the ITB. <p>This Guarantee shall expire : (a) if the Bidder is the successful bidder, upon our receipt of copies of the Contract signed by the Bidder and of the Performance Security issued to you by the Bidder, or (b) if the Bidder is not the successful bidder, upon the earlier of (i) our receipt of a copy of your notification to the Bidder that the Bidder was unsuccessful, otherwise it will remain in force upto ----- (insert date)</p> <p>Consequently, any demand for payment under this Guarantee must be received by us at the office on or before that date _____</p> <p>[signature(s) of authorized representative(s)]</p>	