THE GOVERNMENT OF DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA MINISTRY OF INDUSTRIES

LANKA MINERAL SANDS LIMITED



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**BIDDING DOCUMENT** 

# Sale of Heavy Mineral Sands

BID REFERENCE NO: LMS / MKT / TDR / 24/04

# **INTERNATIONAL COMPETITIVE BIDDING**

SALES COMMITTEE Specific Sales Committee- LMSL Ministry of Industries, P.O. Box 570, No.73/1, Galle Road, Colombo 03, Sri Lanka. 2024/08/27 SELLER Lanka Mineral Sands Limited No.341/13, Sarana Mawatha Rajagiriya, Sri Lanka.

1

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### SECTION1: INTRODUCTION

- 1.1. Lanka Mineral Sands Limited (LMSL) is a successor to Ceylon Mineral Sands Corporation (CMSC) established in 1957 under Industrial Corporation Act for exploration, mining, processing and sale of beach mineral sands in Sri Lanka and converted to a fully Government-owns Company in 1992 under the commercialization policy of the Government. This is the only Government owned Company in the mining and processing and trading of heavy mineral products. Lanka Mineral Sands Limited has now incorporated under the Company Act No. 7 of 2007 of the Democratic Socialist Republic of Sri Lanka having its principle place of No. 341/13, Sarana Mawatha, Rajagiriya, Sri Lanka. Lanka Mineral Sands Limited has presently gazetted under the Ministry of Industries. The Ilmenite Rutile Zircon Plant (IRZ Plant) is the factory of Lanka Mineral Sands Limited and is located at Pulmoddai, in the Eastern
   1 2 Province of Sri Lanka. Ilmenite, Rutile, Zircon and High Titanium Ilmenite are the main products
- 1.2. Province of Sri Lanka. Ilmenite, Rutile, Zircon and High Titanium Ilmenite are the main products while Monazite, Garnet and Magnetite are by- products.

# SECTION 2: INVITATION FOR BIDS.

The Chairman of Specific Sales Committee, on behalf of Lanka Mineral Sands Limited (LMSL), invites international bids online from the date of 27/08/2024 to 13/09/2024 at 10.00 am and the Parties interested in buying the following heavy mineral products produced in Sri Lanka by processing beach mineral sands. The sales process has advanced to receive the bids online on customized order quantity and award the sales orders on a lot basis.

#### THE PRODUCTS ON SALE AND OTHER RELEVENT DETAILS

No.	PRODUCTS	HS CODE	SPECIFICATION		PACKAGE
1.		26140010		(MT)	METHOD
	Ilmenite		TiO2 – 49% - 51%	5,000	Loose Bulk or
	Category A Ilmenite		Moisture – 0.50% Max. TiO2 – 49% - 51%		Bulk in
			Moisture – 0.50% Max		Containerized
2.	Category B	26140010	$\frac{1005ture = 0.5070 \text{ Max}}{1005}$	15,000	Loose Bulk
	Zircon		ZrO2 – 65% - 67%		
3.		26151000	Moisture – 0.50% Max TiO2 – 59% - 61%	100	40kg in
			Moisture – 0.50% Max.		bagged
			TiO2 – 57% - 60%		Containerized
4.	High Titanium 2	6140010	Moisture – 2.00% Max	3,000	Bulk in
5.	Ilmenite - Lot 1		Monazite – 43% - 46%	6,000	Containerized
6.	High Titanium 2	6140010	Moisture – 0.50%Max	700	Bulk in
	Ilmenite - Lot 2		Ilmenite – 6% - 8%		Containerized
7.	Crude Monazite	26159000		30,000	Bulk in
					Containerized
	Zircon	26151000			Loose Bulk or
	Concentrate		Rutile – 6% - 8%		Bulk in
			Zircon – 25%-35%		Containerized
			Moisture – 2.00%Max		

# THE DETAILS FOR BID SUBMISSION Celen Tarih Sayı: 06.09.2024 - 922

No	PRODUCT	HS CODE	QUANTITY D	ELIVERY TERM EX- WO	RKS PRICE	BID SECURITY
			MT		WITH ROYALTY	PER MT
1.	Ilmenite Category A	26140010	5,000	Ex - Works Pulmoddai with royalty	Will be published in 05 working days prior to the tender opening date	Vill be published in 05 working days prior to the tender opening date
2.	Ilmenite Category B	26140010	15,000	Ex - Works Trincomalee Harbour with royalty (adding transport cost +overhead charge)	-Do-	-Do-
3.	Zircon	26151000	100	Ex - Works Pulmoddai with royalty	-Do-	-Do-
4	High Titanium Ilmenite – Lot 01 (Go down)	26140010	3,000	Ex – Works Pulmoddai with royalty	-Do-	-Do-
5.	High Titanium Ilmenite-Lot 2 (Open Yard)	26140010	6,000	Ex – Works Pulmoddai with royalty	-Do-	-Do-
6.	Crude Monazite 2	26159000	700	Ex- Works Pulmoddai with royalty	-Do-	-Do-
7	Zircon Concentrate	26151000	30,000	Ex – Works Pulmoddai with royalty	-Do-	-Do-
				with royalty		

The complete Bidding Document, consisting of Introduction, Invitations for Bids, Specifications, of purebusites, Terms & Conditions and Bidding Form, is published in the official <u>www.lankamineralsands.com</u> & <u>www.industry.gov.lk</u> and Sri Lankan Missions Overseas & foreign Missions in Sri Lanka as well. The Interested Parties could visit the websites and download the Bidding Document free of charge.

The Bid Form downloaded should be used for the submission of the bid. The interested eligible bidder could

submit their bid for the purchase of any product upon their requirement subject to products on sale. However, the bidder who wishes to obtain the Bid Form from Seller as an alternative should send an official request on email to ilmenite@slt.lk or minmarketing@sltnet.lk addressing Marketing Manager, Lanka Mineral Sands Limited, No. 341/13, Sarana Mawatha, Rajagiriya, Sri Lanka retaining a length to ensure the receipt of Bid Form on time.

The bid should accompany the bid security in the amount as specified against the products on sale (The Bid

Security amount will be published in 05 working days prior to the Tender opening) and the copies of documents specified in the sub-clause 4.6.6 & 4.6.7 of the clause 4.6, Preparation of Bids under Section 4, Terms & Conditions of Sales. The Bid Security should be in cash by fund transfer/ telegraphic transfer or in the form of bank guarantee issued by licensed commercial bank in Sri Lanka against the counter guarantee of buyer's rated bank which is reputed one acceptable to the seller. The Bid Security in cash will only be accepted upon credit of the payment to the bank account of the seller mentioned in the sub-clause 4.6.6 & 4.6.7 of clause 4.6 of the bidding document and confirmed the bank guarantee by the seller's bank. A single PDF of prepared consisting with the bid form duly filled in & signed by the signatory and foregoing supported documents that is protected by the bidder himself positing time to be opened at 10.00 a.m. of Colombo, Sri Lanka on 13/09/2024 or using own password to open should be sent to email ImsImineral@industry.gov.lk with copy to ImsImineral.industry@gmail.com to receive on or before 13/09/2024 at 10.00a.m. The bidder should use a valid domain for email in accordance with high security information rules.

The bidder, who sent the bid on PDF protected with their own password, should send their password on same email to receive seller's email lmslmineral@industry.gov.lk with copy to lmslmineral.industry@gmail.com within 10.00 a.m. – 10.15 a.m. of Colombo, Sri Lanka on 13/09/2024.

The bids not complying with the above instructions, the late bids and the bids have no password within 10.00 a.m. – 10.15 a.m. of Colombo, Sri Lanka on 13/09/2024 will be rejected and not considered for evaluation. Therefore, bidders should ensure to send their bids and password on time.

The bids received will be opened by the Bid Opening Committee in the Auditorium of the Ministry of Industries, PO Box 570, No. 73/1, Galle Road, Colombo 03, Sri Lanka at 10.15 a.m. of Colombo, Sri Lanka on 13/09/2024. The bidder or his authorized representative who chooses to attend at the opening of bids is permitted by the seller. The seller will acknowledge the receipt of the bid to the bidders no sooner the bids are opened.

For further information and clarification, please contact Marketing Manager of Lanka Mineral Sands Limited and Marketing Division on Telephone +94112883951-2, +94112883954, Fax +94 11 2882668 and Email ilmenite@slt.lk / minmarketing@sltnet.lk

#### Chairman,

Specific Sales Committee - LMSL Ministry of Industries, PO Box 570, No.73/1, Galle Road, Colombo -03, Sri Lanka. 2024/08/27

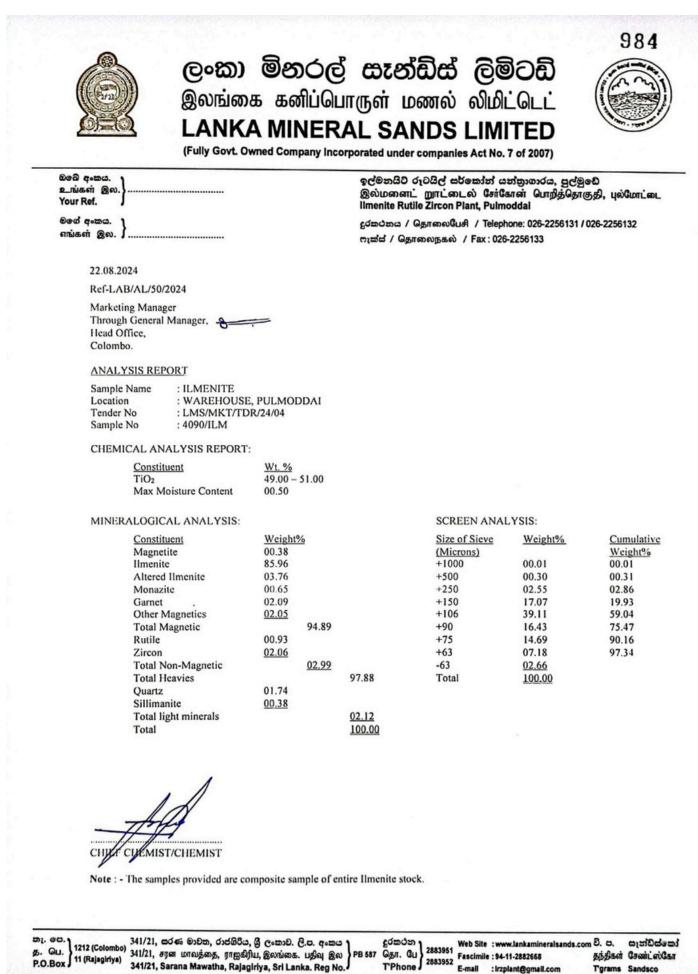
## SECTION 3 – SPECIFICATIONS OF PRODUTS

3.1. Specification of Ilmenite (TiO2 49.00%-51.00%), Zircon (ZrO2 65% - 67%), Crude Monazite (Monazite 43% - 46%) and High Titanium Ilmenite (Lot -1) (TiO2 59%- 61%) are provided with the analysis report of the Chief Chemist, LMSL. These products are guaranteed to the specification provided by Chief Chemist, Laboratory, LMSL. High Titanium Ilmenite (Lot – 02), Crude Monazite and Zircon Concentrate specifications are provided only for buyer references.

3.2. The product High Titanium Ilmenite (Lot-2) and Zircon Concentrate are stored in an open yard.

Therefore, chemical composition quality of these products can be varied. However, the moisture content is certified and will be maintained at 2% max. and sold "as is" in the existing stock. These products are therefore, sold and delivered in "as is" in the existing condition. The specifications for these products have been produced only for references. Specifications for Crude Monazite & Zircon Concentrate have been produced by us although these two products are by-products, bidders are expected to collect their own samples and analyze should inspect the products and got it analyzed their own sampling before submission of the bids. Titanium Dioxide (Tio2) content of Hi Ti Ilmenite (Lot – 02) and Zircon% content of Zircon Concentrate might be variable and it is  $\pm$  3%. If the moisture content is more than 2%, the additional quantity will be provided in same quality.

3.3. Prospective buyers are requested to inspect & analyzed the samples of their own of all products including the above products before submission of the bids.



Bu belge, 5070 sayılı Elektronik İmza Kanununa göre Güvenli Elektronik İmza ile imzalanmıştır. Evrak sorgulaması https://odaborsaebys.tobb.org.tr:443/to-nizip-envision/Validate\_Doc.aspx?eD=BSC59YF53&eS=922 adresinden yapılabilir

#### II) ILMENITE (TRINCOMALEE WAREHOUSE) - COMPOSITE ANALYSIS REPORT- SAMPLE NO: 4090 /ILM - 2024/08/22

	(, any cover	Owned Cor	mpany Inc		ANDS LIM				
லகி අංකය. உங்கள் இல Your Ref.	.}			இல்மனை	ව රූවයිල් සර්කෝන් ය னட் றூட்டைல் சேர் Rutile Zircon Plant, Pulm	கான் பொறித்தொ	சபி ததி, புல்மோட்சு		
சென் අංකය. எங்கள் இல. }				දුරකථනය	ന്നല്ലെ Kuthe Zircon Plant, Pointodaal ഉഗ്താടാം / മുണ്ടാസ്ഥരി / Telephone: 026-2256131 / 026-2256132 നൂമ്പ്പ് / മുണ്ടാസുടക് / Fax : 026-2256133				
22.08.2	024								
Ref-LA	B/AL/50/2024								
ANAL	YSIS REPORT								
Sample Locatio Tender Sample	No : LMS/MKT/TE		MALEE						
CHEM	ICAL ANALYSIS REPORT	:							
	Constituent	Wt. %							
	TiO2 Max Moisture Content	49.00 - 00.50	- 51.00						
MINE	RALOGICAL ANALYSIS:				SCREEN ANAL	YSIS:			
	Constituent	Weight	<u>t%</u>		Size of Sieve	Weight%	Cumulativ		
	Magnetite	00.37 83.23			(Microns) +1000	00.02	Weight% 00.02		
	Altered Ilmenite	04.82			+500	00.28	00.30		
	Monazite	00.35			+250	02.74	03.04		
	Garnet	02.62			+150	19.15	22.19		
	Other Magnetics Total Magnetic	03.01	94.40		+106 +90	40.75	62.94 78.94		
	Rutile	01.11	74.40		+75	12.80	91.74		
	Zircon	01.86			+63	06.17	97.91		
	Total Non-Magnetic		02.97		-63	02.09			
	Total Heavies	02.09		97.37	Total	100.00			
	Quartz Sillimanite	02.09							
	Total light minerals	Addres of		02.63					
	i oran ngini ministano								

Note : - The samples provided are composite sample of entire Ilmenite stock.

து. பெ. த. பெ. PO.Box 111(Rajagiriya) 341/21, கான மாவத்தை, ராஐகிரிய, இலங்கை. பதிவு இல 11 (Rajagiriya) 341/21, கான மாவத்தை, ராஐகிரிய, இலங்கை. பதிவு இல 341/21, கான மாவத்தை, ராஐகிரிய, இலங்கை. பதிவு இல 341/21, கான மாவத்தை, ராஐகிரிய, இலங்கை. பதிவு இல 341/21, Sarana Mawatha, Rajagiriya, Sri Lanka. Reg No. Gelen Tarih Sayı: 06.09.2024 - 922 III) ZIRCON – COMPOSITE ANALYSIS REPORT- SAMPLE NO: 4057/ZIR- 2024/07/31

ல் வே டி. ஊ உங்கள் இல.} Your Ref.				இல்மனை	රූටයිල් සර්කෝන් ය ட்றூட்டைல் சேர் tile Zircon Plant, Pulm	கான் பொறிக்கொ	வே குதி, புல்மோட்டை
ல் கூன் குன் எங்கள் இல. }				දුරකථනය /	தொலைபேசி / Telep ாலைநகல் / Fax: 026	hone: 026-2256131 /	026-2256132
31.07.2024							
Ref-LAB/AL/50	/2024						
Marketing Mana Through Genera Head Office, Colombo.	MC						
ANALYSIS RE	PORT						
Sample Name Tender No Sample No	: ZIRCON : LMS/MKT/TD : 4057/ZIR	R/24/04					
CHEMICAL AN	VALYSIS REPORT						
<u>Consti</u> ZrO <sub>2</sub> Max N	<u>tuent</u> Aoisture Content	<u>Wt. %</u> 65.00 - 67 00.50	7.00				
MINERALOGI	CAL ANALYSIS				SCREEN ANAI	VSIS	
Total ! Rutile Zircon Total ! Total ! Quartz Sillima	rite Magnetics Magnetic Non-Magnetic Heavies	00.47 <u>98.65</u>	00.33 99.12	99.45 00.55 100.00	Size of Sieve (Microns) +150 +106 +90 +75 +63 -63 Total	Weight% 00.02 00.65 03.89 50.25 33.37 11.82 100.00	Cumulative Weight% 00.02 00.67 04.56 54.81 88.18
	ST/CHEMIST ples provided are co	mposite samp	ole of en	tire Zircon stock			

#### IV) HIGH TITANIUM ILMENITE (LOT-1) – COMPOSITE ANALYSIS REPORT- SAMPLE NO: 4088/ HTI – 2024/07/31

					RAL SA				A Dam . P
Y	our Ref.				இல்மனை	රුවයිල් සර්ග டிறாட்டைல் ntile Zircon Plan	o ConCan	ன் பொரிக்கொ	260 ாகுதி, புல்மோ
	ගේ අංකය. ක්ෂණ					/ தொலைபேசி தாலைநகல் /			/ 026-2256132
	31.07.2024 Ref-LAB/AL/50	1/2024							
	Marketing Mana								
	ANALYSIS RÉ	PORT							
	Sample Name Tender No Sample No	: HI TI ILMEN : LMS/MKT/TI : 4088/HTI							
	S. Marine Marine	ALYSIS REPORT							
	<u>Consti</u> TiO <sub>2</sub>	lucnt	<u>Wt. %</u> 59.00	61.00					
	Max N	foisture Content	00.50						
	MINERALOGIC	CAL ANALYSIS				SCREEN	ANALYS	SIS	
	Consti Magne Ilmeni	tite	Weigh 00.59 42.63 42.82	<u>t%</u>		<u>Size of Si</u> (Microns) +500 +250	1	<u>Weight%</u> 00.06 10.56	<u>Cumula</u> <u>Wcight9</u> 00.06 10.62
	Monaz Garnet Other 1	tite Magnetics	00.59 00.78 02.92			+150 +106 +90		46.30 28.95 07.34	56.92 85.87 93.21
	Rutilc	Magnetic	08.65	90.33		+.75		04.62	97.83 99.49
6		Non-Magnetic	00.96	<u>09.61</u>	99.94	-63 Total		<u>00.51</u> 10 <u>0.00</u>	
	Quartz	leavies ight minerals	00.06		00.06 100.00				
		1							
	1	A							
	LA	Ever .							
•	CHUR CUMMIS								
	Note : - The sam	ples provided arc c	omposite s	ample of c	ntire Hi Ti Ilmoni	te slock.			

#### V) HIGH TITANIUM ILMENITE (LOT-2) - COMPOSITE ANALYSIS REPORT- SAMPLE NO: 4089/ HTI - 2024/07/31

	<u>କ୍ରି</u> କ୍ର ଜୁନ୍ଦୁ LA	றங்கை NKA	கனிப்( MINE	பொருள் RAL S	Da AN	විස් <sub>20</sub> ලිම් තත් බා්ඩා DS LIM ompanies Act No.	LGLL ITED	
இசுத் ஒ உங்கள் Your Re	n @o.}			இல்ம	னைட்	DGල් සර්කෝන් ය றூட்டைல் சேர் Zircon Plant, Pulm	கான் பொறித்தொ	
ூலை ஏ எங்கள்	·······			-		நாலைபேசி / Teleph லநகல் / Fax: 026		/ 026-2256132
	1.07.2024 Ref-LAB/AL/50/2024							
	Marketing Manager							
7  -	Through General Manager, lead Office, Colombo.	-8	<u>-</u> -					
4	NALYSIS REPORT							
Т		LMENITE IKT/TDR/24 I'I	/04					
	CHEMICAL ANALYSIS R							
	Constituent		/t. %					
	TiO <sub>2</sub> Max Moisture Con		7.00 - 60.00 2.00					
		10.0				0000001 43441	Vere	
N	MINERALOGICAL ANAL		eight%			SCREEN ANAL Size of Sieve	Weight%	Cumulative
	Magnetite		).46			(Microns)		Weight%
	Ilmenite Altered Ilmenite		5.69			+1000 +500	00.02	00.02
	Garnet		2.61			1-250	06.62	06.65
	Other Magnetics		5.53			-1-150	12.99	49.64
	Total Magnetic		89.54			+106	33.64	83.28 91.76
	Rutile Zircon		3.03 2.06			+90 +75	08.48 05.60	97.36
	Total Non-Magnet		10.09			+63	02.12	99.48
	Total Heavies			99.63		-63	00.52	
	Quartz Sillimanite		).13 ).24			Total	100.00	
	Total light mineral			00.37				
	Total			100.00				
	, 1							
	11							
	The							
	HIN CHEMIST/CHEMIS	r						
N	ote:- This is only for refere	ice pumose	This stock is	in the open var	d and in	terested narties sho	uld collect same	les by themselves
	before the biding.	1-1-1-1						,
		· •						
7. 60.9	(Colombo) 341/21, සර≪ මාවත,	රාජනිරියා යි.	amp An a	10c3 4	රතථන 1	Web City	u la skamla colora to	
. QU. 1212	(Colombo) 341/21, පරය මාවත, 341/21, අගන ගැකුණු alagiriya)		omime uslo	(RE) PB 587 G	ET. Gu	2883951 2883952 Fascimile : 54-1	w.lankamineralsands.c	om ව. ප. සැන්ඩස தந்திகள் சேண்ட்ஸ்

Bu belge, 5070 sayılı Elektronik İmza Kanununa göre Güvenli Elektronik İmza ile imzalanmıştır. Evrak sorgulaması https://odaborsaebys.tobb.org.tr:443/to-nizip-envision/Validate\_Doc.aspx?eD=BSC59YF53&eS=922 adresinden yapılabilir.

Gelen Tarih Sayı: 06.09.2024 - 922 VI) CRUDE MONAZITE-COMPOSITE ANALYSIS REPORT- SAMPLE NO: 4087/MON/CS – 2024/07/31

0004/0007 DGM (AD/HR) 02/08 2024 1:41 PM FAX 0262256232 965 ලංකා මිනරල් සැන්ඩ්ස් ලිමිටඩ් இலங்கை கனிப்பொருள் மணல் லிமிட்டெட் LANKA MINERAL SANDS LIMITED (Fully Govt. Owned Company Incorporated under companies Act No. 7 of 2007) 800 අංකය. ඉල්මනයිට රූවයිල් සර්කෝන් යන්තුාගාරය, පුල්මුඩේ உங்கள் இல. இல்மனைட் றுரட்டைல் சேர்கோன் பொறித்தொகுதி, புல்மோட்டை limenite Rutile Zircon Plant, Pulmoddal Your Ref. මගේ අංකය. දුරකථනය / බුහුෆනාහරියන් / Telephone: 026-2256131 / 026-2256132 எங்கள் இல. ருங்க் / தொலைநகல் / Fax: 026-2256133 31.07.2024 Ref-LAB/AL/50/2024 Marketing Manager Through General Manager,-Head Office, Colombo. ANALYSIS REPORT : CRUDE MONAZITE Sample Name Tender No : LMS/MKT/TDR/24/04 Sample No : 4087/MON/CS CHEMICAL ANALYSIS REPORT W1. % Constituent Max Moisture Content 00.50 MINERALOGICAL ANALYSIS Weight% Constituent Monazite 43.00 - 46.00 40.00 - 44.00Zircon SCREEN ANALYSIS Weight% Size of Sieve Cumulative (Microns) Weight% +500 00.08 00.08 +250 00.24 00.32 01.70 +15001 38 +106 07.54 09.24 +90 19.69 28.93 175 37.58 66.51 +63 25.22 91.73 -63 08.27 Total 100.00 CHU CHEMIST/CHEMIST Note:- This is only for reference purpose. Interested parties should collect samples by themselves before the biding. 341/21, කරණ මාවක, රාජශිරිය, ශ්‍රී ලංකාව. ලි.ප. අංකය දුරකථන . PB 587 මුණු. ශ්ය Web Site : ww n 8. c. සැන්ඩස්කෝ 1212 (Colombo) 2883961 5. QU. 341/21, சரன மாவத்தை, ராஐகிரிய, இலங்கை. புதிவு இல Fascimile : 94-11-2882668 தந்திகள் சேண்ட்ஸ்கோ P.O.Box 11 (Rajagiriya) 2883952 341/21, Sarana Mawatha, Rajagiriya, Srl Lanka. Reg No. T'Phone Tgrams Sandaco E-mall : irzplant@gmall.com 13

VII) ZIRCON CONCENTRATE ANALYSIS REPORT- SAMPLE NO: 4079/ZC - 2024/07/31



Bu belge, 5070 sayılı Elektronik İmza Kanununa göre Güvenli Elektronik İmza ile imzalanmıştır. Evrak sorgulaması https://odaborsaebvs.tobb.org.tr:443/to-nizip-envision/Validate\_Doc.aspx?eD=BSC59YF53&eS=922 adresinden vapılabilir.

## SECTION – 4: TERMS AND CONDITIONS OF SALE

#### 4.1. DEFINITIONS

The following words and expressions shall have the meanings hereby assigned to them.

- a) "Products" means all of the commodities that the seller has offered for sale under the tender.
- b) "Seller" is Lanka Mineral Sands Limited (LMSL) and specified in the contract of sale.
- c) "Interested Party" is defined as the party who has the potential for purchase of heavy

mineral products.

- d) "Bidder" is the party who interested for purchase of the products and submitted the bid
- e) "Buyer/ Purchaser" means the bidder who was successful in the bid and accepted for award of sales tender on purchasing of any product and its certain stock.
- f) "Foreign Buyer" is the party who submit the bid under a company registered outside Sri Lanka.
- g) "Local Buyer" is the party who submits the bid under a company registered in Sri Lanka.
- h) "Contract" means the contract of sale entered into between the buyer and the seller with the bidding documents including any appendices thereto and the declaration of the bid form.
- i) "Contract Documents" means the documents & correspondence dealt on the sales.
- j) "Contract Value" means the value of sales order payable to the seller by the buyer under the contract.
- k) "Day" means calendar day unless otherwise specified the day in details. The working days will be the official days in Sri Lanka on which banks are opened for business.
- l) "IRZ Plant Pulmoddai" means the Factory of Lanka Mineral Sands Ltd and also where the final products are stored.
- m) "Obligations" means the services & responsibilities incidental to the imports and exports of products that should be performed by the seller and buyer under the contract.

n) "Global Market" means the price index & market intelligence that is published over the activity on buying or selling of heavy mineral products by the party renowned & reputed in the heavy mineral industry acceptable to LMSL

o) "Stock /Goods means the products reserved for buyer for shipment.

### 4.2. ETHICS, FRAUDS & CORRUPTIONS

4.2.1The attention of the interested - parties is drawn to the following guidelines and shall ensure

a) Parties with sales actions, namely, buyers and Officials shall ensure that they maintain strict confidentiality throughout the process;

b) Officials shall refrain from receiving any personal gains from any sale action. No gifts or inducement shall be accepted. Buyers are liable to be disqualified from the bidding process if found offering any gift or inducement which may have an effect of influencing a decision or impairing the objectivity of an official.

4.2.2. The seller requires the buyers to observe the highest standard of ethics during the sale and execution of such contracts. In pursuit of this policy;

a) "corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the action of a public/LMSL official in the sales process or in contract execution;

- b) "fraudulent practice" means a misrepresentation or omission of facts in order to influence a sale process or the execution of a contract;
- c) "collusive practice" means a scheme or arrangement between two or more buyers, with or without the knowledge of the seller to establish bid prices at artificial, non-competitive levels; And

d) "coercive practice" means harming or threatening to harm, directly or indirectly, person or the property to influence their participation in the sales process or affect the execution of a sales contract.

4.2.3. If the seller found any unethical practices as stipulated under clause 4.2.2 above, that a buyer directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for the contract in question, the bid will be rejected.

# 4.3. BIDDING DOCUMENT Gelen Tarih Sayı: 06.09.2024 - 922

4.3.1Bidding Document consists with Invitation for Bids, Introduction, Specifications of the products on sale, Terms & Conditions of Sale.

4.3.2. Throughout these bidding process the term "in writing" means communicated in written form by mail (including electronic mail) or hand delivered with proof of receipt.

4.3.3 if the context so requires, "singular" means "plural" and vice versa; and "day" means calendar day unless otherwise specified clearly as working days.

#### 4.4. ELIGIBLE BUYERS & QUALIFICATIONS FOR ELIGIBILITY

All biblders shall process legal rights to buy heavy mineral sands under this contract and for imports / exports of the product as well. The bidders shall not have a conflict of interest and ineligibility at the date of submission of the bid & award of sales and debarred or blacklisted in the any of country all bidders found to have conflict of interest and ineligible shall be disqualified.

4.4.2. To be qualified for submission of the bid by the buyer and acceptance of the bid by the

seller, the bidder should also originally process a valid Company Registration registered under Company Act of particular country.

4.4.3. The local bidders, who wish to export the product by re-selling to foreign parties should posses trading license for exports of heavy mineral products while the party who wish to add further value to the product purchased, should have facility for value – addition locally and the government permission.

4.4.4. The respective addresses and the contact details given and set out by the bidder in the bid

form will be considered for all purposes. The parties choose their respective addresses set out in the contract for all purposes arising out of or in connection with this contract, at which addresses all processes and notices arising out of or in connection with this contract, its breach or termination may validly be served upon or delivered to the bidder.

#### 4.5. RESPONSIBILITY OF BUYER & SELLER

4P5oducts are guaranteed to the specifications provided by the seller unless otherwise stated as "Quality of other products can be varied" and delivered on Exw-IRZ Plant, Pulmoddai (INCOTERM – 2020) unless otherwise mentioned another delivery term in the Invitation for Bids. The obligations of the seller and buyer in respect of the sale contract is in term of the product delivery. All trade terms used in the sales contract will be governed by and interpreted in accordance with the International Rules for the interpretation of trading terms of the International Chamber of Commerce published in 2020.

4.5.2 The seller will be responsible for assisting the buyer for obtaining of inland transport licenses

for transport of product till Port of loading or buyer's local destination in term of delivery mode on Exw basis. The loading of product, for the transport means of the buyer available at the IRZ Plant, Pulmoddai is seller's responsibility.

4.5.3 The seller will be responsible for issues of the pro-forma invoice, commercial invoice,

weighing certificate, packing list, certificate of origin, material safety data sheet, quality certificate, regulatory permits including free/preferential trade agreement for the product other than the quarantine certificate.

4.5.4 Seller will whatever reasons, not issue the export license to the third party on exports of mineral

products purchased by the foreign or local buyers. Therefore, especially the local party who is with an intension for re-sale the product to their foreign party, should possess a valid trading license issued by the Government of Sri Lanka for exports of heavy mineral products.

4.5.5 The buyer is liable for settlement of payment on time in term of payment stipulated and

thereafter, removal of product purchased within the time frame. The inland transports, exports & imports customs clearance, inspection of product & additional analysis of product (if required), cargo

Gelen Tarih Sayı: 06.09.2024 - 922 insurance and possession of regulatory permits necessary for imports/exports the products to the final destination are on account of buyer as vested the responsibility.

4.5.6 The copies of all shipping documents of the consignment cleared for export should be submitted

to seller for verification of seller & record by the buyer himself or per their freight forwarder no sooner the transactions of each consignment delivered on Exw basis is completed.

4.5.7 Throughout the sales context, seller will ensure the fulfillment of all the objectives of the seller maintaining adequate transparency, responsibility, consistency and accountability to secure the equal opportunity to the valued buyers and retain the confidence.

4.5.8 The sales contract agreement is constituted with the buyer & seller on the sale of product with effect from the issues of pro-forma invoice upon acceptance of bidder the awarding letter of the seller notwithstanding to the signing of formal contract agreement.

#### 4.6. PREPARATION OF BID

The bidding process is conducted through the International Competitive Bidding (ICB) procedure advanced to have bids by-email and notification on award the sales orders on the date of opening the tender.

4.6.2 The buyers (those qualified in term of clause 4.4 – Qualification for Eligible Buyer) should

submit the bid for the product and the quantity they are interested for purchase. The bid should not be a conditional bid and it should be subject to the Terms & conditions of the sales contract. The delivery mode of the product is as mentioned in the Invitation for Bids in bulk/ containerized on Exw – IRZ Plant. The order quantity is customized and it is 50MT for Zircon & Crude Monazite, 500 MT for Hi Ti Ilmenite, 5000MT for Zircon Concentrate and Ilmenite (Category A) and 10,000MT for Ilmenite (Category B). No award is permitted for the tonnage more than the bid offered by the bidder and bid security kept originally. There may be a priority for the bidder who submitted bid for the total tonnage of Ilmenite on sale where the bid price is above the benchmark.

4.6.3 The bidder or interested party, who chooses to analyze the product, could take sample for their

own analysis. The sample could be obtained during working days subject to normal formalities, from Marketing Manager of Lanka Mineral Sands Limited, upon submission of written a request. Bidders are expected to collect samples and got it analyzed their own before submission of the bids.

4.6.4 The currency of bid and settlement of payment is United States Dollars (USD).

4.6.5 The bid submitted should remain 25 calendar days (07/10/2024) of validity from the date of opening of bids.

4.6.6 The bid security is refundable and amount will be on the products and tonnage on purchase. The

Bid Security will be published in 05 working days prior to the Tender opening date as specified in the section 2, Invitation for Bids. The bid security that should be furnished by the buyer has to be computed with the quantity of the product for which quoted by the bidder. The bid security should be in cash or by bank guarantee issued by licensed Commercial Bank in Sri Lanka against the counter guarantee of buyer's Bank which is a reputed one acceptable to the seller.

The bid security in cash should be remitted by fund transfer or telegraphic transfer to the United

States Dollar Account 73449850 (Swift Code – BCEYLKLX) maintained by the seller at the Bank of Ceylon, Corporate Branch, BOC Mawatha, Colombo – 01, Sri Lanka. The bank guarantee should be unconditional and confirmed by the Bank registered under Central Bank of Sri Lanka and it should be furnished in favour of Chairman, Lanka Mineral Sands Ltd and payable on first demand of the Seller. The payment on bid security should have credited of the seller's account before 09.30 a.m. Colombo, Sri Lanka on 13/09/2024. Therefore, the buyer should take prior arrangements to remit this payment in advance and ensure the credit of same to the seller's account through their bankers. The remittance advice or original bank guarantee should accompany the Bid Form. Gelen Tarih Sayı: 06,09,2024 - 922 4.6.7 The documents accompanied the bid are as follows.

- i. Proven document for particular bid security (copy of TT/ Fund transfer or original
- Bank Guarantee) Copy of valid Company Registration along with the associated documents of Shareholder's, Owner's specimen signatures therein to be proved the authority.
- iii. Copies of National Identity Card/ Passport of the head of Company and the signatory
- iv. Authorization for Representative if authorization is granted to work on behalf of the
- v. Owner/Shareholders (if applicable)
- vi. The collective agreement of the Consortium/ Association/ Joint Venture (if applicable) by designating of leading party so as to grant authorization to work on. Copy of valid Trading License on export of heavy mineral product (only for the local bidder)

4.6.8 The bidder/buyer, at any stage of transfer of funds or payment through bank, should bear all charges levied by the bank.

4.6.9 The buyer may review the Greenwich Mean Time (GMT) and ensure to post the exact time at their location that is corresponding to the deadline 10.00 a.m. Colombo, Sri Lanka on 13/09/2024 at the sending of bid.

### 4.7. AMENDMENT TO BIDDING DOCUMENT

Arfendment to the bidding document could be made by the seller and it will only be 5 working days prior to deadline for opening of the bids providing buyer reasonable time to take an addendum into account in preparation of their bids. The seller may, at its discretion, extend the deadline for submission of bids. Any addendum issued shall be part of the bidding documents or shall be published in the websites already uploaded the bidding document in which cause all rights an obligations of the seller and bidders previously subject to the deadline shall thereafter, be subject to the deadline extended. The concurrence of the buyer shall not be required to modify the bidding document.

4.7.2 In exceptional circumstances, prior to the expiration of the bid validity and bid security, seller

may request bidder to extend the period of validity of their bids & bid security. The request and the responses shall be made in writing. If such a request, it shall also be extended for a corresponding period. However, the bidder is of the right to refuse the request of seller without any obligation of the buyer.

#### 4.8 SUBMISSION OF BIDS.

4.8.1. The bidder should fill out the Bid Form with the all details requested for by the seller and attached the documents and correspondence as specified in the sub-clause 4.6.7 of clause 4.6, Preparation of Bids. The submission of incomplete bid and not receiving the bid on time will result rejection of bid. Therefore, bidder should be compulsory to fill the Bid Form out correctly and attach the documents required completely.

4.8.2. The single Portable Document Format – Adobe Acrobat (PDF), prepared as detailed in the

paragraphs 5 & 6 of Section 2, Invitation for Bids, should be sent on email to receive at 10.00 a.m. of Colombo, Sri Lanka on 13/09/2024 to receive email <u>lmslmineral@industry.gov.lk with copy to lmslmineral.industry@gmail.com</u>

4.8.3. Where the alteration is in the filling of bid form, in the bidder should initiate for the same. In such no initiation, the bid may be rejected.

#### 4.9. WITHDRAWAL & MODIFICATION TO THE BIDS

4.9.1.There is no permission for the bidder to withdraw & modify of the bid and submit a substitute.

#### 4.10. OPENING OF BIDS

**4h20** ids will be opened at the Auditorium of the Ministry of Industries, P.O. Box 570, No. 73/1, Galle Road, Colombo 03, Sri Lanka at 10.15 a.m. Colombo Sri Lanka on 13/09/2024 as specified in the Section 2, Invitation for Bids.

4.10.2 The bids not complying with the instructions in the Invitation for Bids late and incomplete bids will not be considered for evaluation and same will be rejected. Regarding late and incomplete bids and the bidders who were unsuccessful in submission of bids, seller will inform in writing parallel to the notification of award to the successful bidders.

#### 4.11 BID EVALUATION & CRITERIA

**4**b@Cplecific Sales Committee with the assistance of Technical Evaluation Committee will fix the benchmark price for the products reviewing the global market and the quality of products and further, be liable to sell the products at which the price equal or above the benchmark price. However, on sale of Ilmenite and award, seller will consider to make a priority to the bidder who submitted bid for the total tonnage of Ilmenite where the bid price is above the benchmark price and the total tendered value is paid by TT on advance with single installment within the stipulated time.

4.11.2 Each bid substantially responsive which are up to the stage of the evaluation is compared with

the world market to determine the acceptance bid price. To assist in the examination, evaluation of the bids, and post qualification of the bidder, the seller may not, at request any bidder local or foreign for a clarification.

4.11.3 No any domestic preference is for evaluation of bids. Every bidder local or foreign has equal opportunity.

4.11.4 The bids are evaluated based on the global market compared to the quality of product on sale.

Therefore, the global market and the intelligence will be the main parameter on evaluation of bids. The bid price at a best will be the most significant factor in the determination of award.

4.11.5 The past performance of the bidder of those experienced at the seller's end upon execution of the obligations of contracts viz the settlement of payment, the removal of the stock, the satisfactory in submission of necessary documents on exports of products and other defaults & failures of the buyer will also be reviewed at the evaluation of bids in determination of award.

4.11.6 Following to the tonnage of the product offered for sale, the priority is given to the buyers

who have offered the price above benchmark in order of the bid prices on award of sales orders.

4.11.7 The bid being the highest will not be the price of acceptable for award of sales tender. The bid

which has been determined up to the stage of the evaluation, substantially responsive and highestevaluated and finally approved by the Specific Sales Committee releasing the determination will be the bid price at awarding of sales tender. The Specific Sales Committee reserves the right to award of sales tender on sale of the product or cancel.

#### 4.12. SALES AWARD & CONTRACT

**4h22** Aller shall award the sales contracts to the bidders whose offers have been determined to be the evaluated bids at the benchmark price or above substantially responsive to the bidding documents and qualified for submission of bid and perform the obligations of sales contract.

4.12.2 The priority on award of sales orders is given in order of the bid from the highest.

4.12.3 In the instance of tonnage on sale is less than the tonnage on bid above the benchmark price, seller will decide to supply the additional tonnage from the excess stock available or deliver the balance stock of the tonnage shared for the last allot.

4.12.4. Seller conveys the notification on award to the successful buyer/s on the date of tender is

opened. The notification will consist of the letter of award with the specific terms & conditions of sales contract for acceptance of the successful bidder. The acceptance to the award should be submitted by the successful buyer in writing to the seller within 3 working days from the date of receipt of the notification on award or intimation of award.

4.12.5 The pro-forma Invoice is issued on receipt of acceptance of the successful bidder to the notification on award.

4.12.6. The seller & buyer will enter into the contract agreement on sale and purchase of the product

and it will constitute and bind upon consecutive order of submission of bid by the bidder, issues of notification on award by the seller to the successful bidder, submission of the buyer's acceptance to notification on award in writing and issues pro forma invoice by the seller. The other documents and correspondence dealt with the both parties buyer and seller and the terms and conditions of the bidding document will be the evidence for governing the contract agreement.

4.12.7 The seller will promptly notify each unsuccessful bidder the position of their bid and reasons to be unsuccessful in the bid.

4.12.8 The seller will also reserve the right to award of sale tenders on sale of products at the

acceptable bid on the decision & discretion of the Specific Sales Committee or cancel the sales tender at the bid not up to the acceptable level.

#### 4.13. CONTRACT PRICE, PAYMENT TERM & SETTLEMENT OF PAYMENT

4.13.1 The bid price offered by the bidder for the product and the levy and taxes incurred over obligations and compulsory of the buyer shall be the contract value.

4.13.2 The payment term is on advance by TT or fund transfer and the contract value shall be settled

in full within ten (10) working days from the date of pro forma invoice. No permission to settle the payment by third party in favour of buyer.

Alternatively, the facility is provided for settlement of payment in two installments to the buyer who would be successful for purchase of whole Ilmenite offered for sale. This facility offered only for Ilmenite Category B. In term of this payment, half of total value should be settled on advance within ten (10) working days of the date of pro-forma invoice with 5% performance security of the total contract value on the sale. (N.B. the payment made in cash upon submission bid security cou also be used for furnish of the performance security). The second installment should be paid or before 45 days of the date of pro-forma invoice or before removal of the stock in the first installment. The performance security will also be accepted in the form of bank guarantee issued by licensed Commercial Bank in Sri Lanka against the counter guarantee of buyer's Bank which is a reputed one acceptable to the seller. The performance security should be valid 50 days from the date of performance security and be the unconditional and payable at any time before deadline on submission of demand/ request by the seller to the bank.

4.13.3 The seller acknowledges to the buyer the receipt of payment no sooner the payment is credited of the seller's Account.

4.13.4 The buyer will be liable for any delay in the settlement of payment. Where the request for

extension is from the buyer, it will be accepted only under acceptable reasons prevalent. The extension if any, it will be limited to 07 days maximum and be subject to charge of 0.1% interest for due payment per day. The additional invoice is issued for this surcharge.

4.13.5 The failure of successful bidder either to submit their acceptance to the contract award or

settlement of full payment of the bidding document within the stipulated time frame or any other payment thereof will constitute sufficient ground for the annulment of the award and forfeiture of the bid security and or performance security. TAXES AND DUTIES

4.14.

4.14.1The export customs clearance and any other charges incurred at the Ports and Customs are on account of the buyer upon delivery of the product on the term of Ex-Works basis.

4.14.2 The seller issues the Tax Invoice on sale of product. The government taxes, CESS, & other

levy on purchase of product & export should be borne by the buyer or seller as per the delivery term of the products and their responsibility. The value added tax (VAT) is 18% of the total value of the sales contract. The VAT is currently Zero for export of mineral product. Therefore, the local tax component is on account of local buyer. The government royalty is 9% of FOB value on exports consignment and 7% for local sales. The Royalty should be paid by the buyer. The levies, taxes and license fees are subject to imposed and revised by the Government time to time. 4.14.3 Where there is any compensation of product, the expenses incurred upon provide of the subsequent documentary incidental thereto viz, taxes, levies, royalty and license fees shall also be borne by the buyer.

#### 4.15. DISCHARGE OF BID SECURITY

4.15.1The bid security will be returned only to the bank and the account of the buyer that is to be mentioned in bid form by the buyer.

Adsommer the intimation of the notification on award of sales tender, the bid security of the unsuccessful bidder is released within 10 days upon receipt of request from the unsuccessful bidder in writing for withdrawal of their bid security.

4.15.3 The bid security and performance security of successful bidder will be released only upon

settlement of the total sales contract value within which the period approved and fulfillment of the obligations of the buyer thereon. Where there is failure of the bidder / buyer for execution of the obligations, bid security or performance security will be forfeited.

#### 4.16. PERFORMANCE SECURITY

**The buly**er shall not furnish or provide a performance security unless otherwise requested specially in the sub-clause 4.13.2 of the clause 4.13, Contract Price, Payment Term & Settlement of Payment. The bid security submitted is continued in place of performance of the buyer for the contract until the payment is made by the buyer. The payment of the sales tender settled by the buyer will thereafter, be the performance security for rest of obligations of the buyer until completion of the obligations of the sales contract.

4.16.2. The bid security or performance security so established shall be payable to the seller for

completion of any loss incurred by results of buyer's failure upon execution of its obligations under the sales contract. Such loss will be recovered by the seller from the performance intimating of the buyer.

#### 4.17 TRANSPORTATION

**W.Merelt**he sales tender is awarded on Exw basis, the inland transport will be under responsibility of the buyer and the seller is responsible to provide necessary documents for obtaining of the transport license. The foreign buyer may see about to entrust the inland transport and other export services to the transporter and to the freight forwarder.

The buyer should be complied with the conditions of bidding document or awarding letter and sales

agreement and clear the stock purchased within the stipulated period related to the seller's loading capacity. Further, buyer should prevent any delays of agreed financial transactions.

4.17.2 The products purchased under this sales contract should not be sold or exported to any countries currently undergone for international trade sanctions and embargo.

#### 4.18. PACKING & CLEARENCE OF STOCK

4.18.1 The buyer is liable to provide the suitable containers/vessels for loading following the responsibility vested on to avoid the waste of product.

4.18.2. The stock will be issued on request of buyer. The buyer is permitted to remove the stock only upon settlement of full sales contract value and should commence the clearance of stock purchased within the approved time.

4.18.3 The maximum loading capability is 750MT per day for loose bulk containerized cargo. 4.18.4

Seller delivers the product in bulk as specified in the Invitation for Bids. The seller, despite to the mode of package specified, could accept the alternative packaging of products if the buyer will bear the additional cost of packages & packaging. 4.18.5 The product is issued with the weight

certificate of Weigh Bridge calibrated periodically by the reputed institution approved by the Government. Therefore, no weight variance arisen at the buyer's destination is accepted by the seller.

4.18.6 The approved period for removal of the stock is as follows and the period will effect from the settlement of payment in full.

a) 15 days for the stock	≴0MT	≤ 500MT
b) 20 days for the stock	500MT	≤ 1000MT
c) 30 days for the stock	> 1000MT	≤ 5000MT
d) 40 days for the stock	> 5000MT	≤10000MT
e) 50 days for the stock	> 10000MT	≤ 20000MT
f) 60 days for the stock	> 20000MT	≤ 30000MT

4.18.7 The buyer is permitted for partial shipment.

4.18.8 The buyer is liable not to change of ownership of the sales contract. Where an assignment has been made by the buyer with another party by their internal arrangement or agreement, seller is not responsible for any of the defaults arisen. The seller issues necessary documents for shipment subject to the sub-clause 4.5.3 of clause 4.5 Responsibility of the Buyer & Seller.

4.18.9 At the exports of the products by the buyers, Bill of Lading (surrendered) and CUSDEC

(party's copy) should be submitted to the seller for every consignment for record of the seller and return the original export license and inland transport license issued by seller itself or through their contractors The seller, notwithstanding to the order placed with the buyer, reserves the right to decide for authenticating of the Bill of Lading in each consignment cleared for export by the buyer. If the buyer will not submit these documents even after cleared & complete the export, it will be considered as failure and default to be adhered for the instructions of the seller and an appropriate action will be taken by the seller either by imposing suspension for participation in the next sales or ban for considerable period. Further, it may extend to blacklist of the company for participating in the sales.

4.18.10 The buyer should make every effort to clear the stock within the particular period pursuant to sub-clause 4.18.6 specified above and is liable to clear the entire stock within the approved period under sales contract unless otherwise extension has been granted by the seller. The demurrage will be levied at USD2.00 Per MT or equivalent in LKR for retaining the stock per week after expire of stipulated period. The stock retaining under demurrage will strictly be limited to 15 days. It will be subject to mandatory demurrage and accordingly, seller reserves the right to recover the demurrage from the stock purchased by the buyer in the event of failure of the buyer to settle the demurrage charges. Where the stock remaining further after completion of particular period, the seller reserves the right to forfeit of the stock remaining and terminate the sales contract.

4.18.11 The seller will issue shipping documents, the copy of export license, pro-forma invoice, commercial invoice, certificate of origin, packing list, weight certificate, preferential / free trade agreement (if required), material data sheet and other documents applicable in term of delivery term referred to sub-clause 4.5.3 of clause 4.5, Responsibility of Buyer & Seller.

4.18.12 The product sold on exports basis should not be stored by the buyer anywhere in the local

warehouse/ yard if the export is under the export license provided by LMSL. Where the buyer stores the stock anywhere locally with the authority of the regulatory body, it should be beyond 50KM radius of IRZ Plant and the mining areas of LMSL. In such a storage of the buyer, seller will not bear any of responsibility over the quality of product and to issue export license later for export of such stock.

#### 4.19. CONTRACT DOCUMENTS

4.19.1 Subject to the order of precedence set forth, the Sales Contract constitutes with the bidding document, the bid submitted by the bidder, award of sales tender by the seller, the acceptance of buyer to award and the pro-forma invoice issued by the seller All documents forming the contract (and all parts thereof) are intended to be correlative, complementary, and mutually explanatory. The sales contract shall be read as a whole.

#### 4.20 LANGUAGE

**4h20:** <u>A</u>ntract as well as all correspondence and documents relating to the contract exchanged by the seller and the buyer, shall be written in English language. Supporting documents and printed literature that are part of the contract may be in another language provided they are accompanied by an accurate translation of the relevant passages certified by an authorized translator in the language specified, in which case, for purposes of interpretation of the contract, this translation shall govern.

4.20.2 The buyer shall bear all costs of translation to the governing language and all risks of the

accuracy of such translation, for documents provided by the buyer.

#### 4.21 JOINT VENTURE, CONSORTIUM OR ASSOCIATION

The buyer is a joint venture, consortium or association all of the parties shall be jointly and severally liable to the seller for the fulfillment of the provisions of the contract and shall designate one party to act as leader with authority to bind the joint venture, consortium or association. The composition or the constitution of the joint venture, consortium or association shall not be altered without the prior consent of the seller.

4.21. The bid submitted by the party should accompany the power of attorney.

#### 4.22. SPECIFICATION AND STANDARDS OF THE PRODUCT

**4h22d** mposition of minerals of the product guaranteed are certified to the specifications provided. The product is, unless otherwise stated as "Quality of other products can be varied" delivered on guarantee, in pursuant to sub-clause 4.5.1 of clause 4.5 Responsibility of Buyer & Seller.

4.22.2The product, offered for sale in terms of "Quality of other products can be varied" will be

delivered "as is" in the existing condition. However, the moisture in such a product will be analyzed at the delivery of product and the moisture above 2% if any will be compensated by the same product.

#### 4.23. INSPECTIONS AND TESTS

**4h23.d**ller shall, at its own expenses and at no cost to the buyer carry out analysis and/or inspection of the stock at the Seller's premises before the submission of the bids subject to the warranty discussed in the Section 3, Specifications of Products. If the buyer needs to analyze the product on their own expenses, the seller will grant permission for their analysis.

4.23.2 The buyer or its designated representative shall be permitted to attend for the test and/or

inspections. If such instant, the buyer shall bear all of its costs and expenses incurred in connection with such visiting including but not limited to all traveling and board and lodging expenses.

4.23.3 The seller shall, on request of the buyer, provide the detailed report of analysis of the product and result of any test and /or inspection carried out.

#### 4.24 ELIGIBILITY OF THE PRODUCT

4.24.1All stock delivered under this contract shall be complied with the specifications provided unless otherwise stated as "Quality of other products can be varied" and the tonnage as well.

4.24.2. In the issues of products and export where the absence of standards is notified by the buyer,

the products should be tested at the independence laboratory acceptable to both seller and buyer before moved from 01st lot from the ware house in Pulmuddai within the validity for removal of stock

4.24.3. The buyer has no permission to reject any products after imported to their destination. However, the default in the product found by the buyer should brought to the seller no sooner the discrepancy is noted and accordingly, seller should response for the same within the three working days from the date of buyer's report. Where the seller found any deficiency in the quality of products found at the seller's end and consent, a proportionate compensate will be either by the same product or payment.

4.24.4 If the seller has decided for compensation of the product, additional quantity of the product corresponding to the default accepted by the seller, the additional expenses incurred for removal of

the products and exports and incidental thereto should be borne by the buyer.

#### 4.25 GOVERNING LOW

4.25.1The contract shall be governed by and interpreted in accordance with the laws of the Democratic Socialist Republic of Sri Lanka.

#### 4.26 SETTLEMENT OF DISPUTES

**4b26** Aller and the buyer shall make every effort to resolve amicably by direct informal negotiation any disagreement or dispute arising between them under or in connection with the contract.

4.26.2. If, after twenty- eight (28) days, the parties have failed to resolve their dispute or difference

by such mutual consultation, then either the seller or the buyer may give notice to the other party of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commence unless such notice is given. Any dispute or difference in respect of which a notice of intention to commence arbitration has been given in accordance with this clause shall be finally settle by arbitration. Arbitration may be commenced prior or to after delivery of the Product under the Contract. Arbitration proceedings shall be conducted in accordance with the Arbitration Act No: 11 of 1995. The venue of arbitration is Colombo, Sri Lanka.

4.26.3. Notwithstanding any reference to arbitration herein,

(a) The parties shall continue to perform their respective obligations under the Contract unless they otherwise agree; and

(b) The buyer shall pay the Seller any monies due the Seller.

#### 4.27. CONFIDENTIAL INFORMATION

The **Fell**er and the buyer shall keep confidential and shall not, without the written consent of the other party hereto, divulge to any third party any documents, data, or other information furnished directly or indirectly by the other party hereto in connection with the contract.

4.27.2. The buyer shall not use such documents, data and other information received from the Seller

for any purposes unrelated to the contract. Similarly, the seller shall not use such documents, data and other information received from the buyer for any purpose other than the performance of the Contract.

4.27.3 The above provisions shall not in any way modify any undertaking of confidentiality given by

either of the parties hereto prior to the date of the sales contract in respect of the sale or any part thereof.

4.27.4 The provisions of Terms & Conditions of Contract of Clause 4.27 shall survive for completion or termination for whatever reason of the contract.

#### 4.28. INSURANCE

**Unless** otherwise specified in the Clause 4.5, Responsibility of the Buyer & Seller in respect of the obligation vested with the insurance, the seller will only be account until such a period of which product is delivered to the buyer or their transport contractor. Thereafter, the responsibility upon any loss or damage incidental thereto in acquisition, transportation, storage and freight is under responsibility of the buyer.

#### 4.29. FORCE MAJEURE

**4h2%** Aller will be liable for forfeiture of buyer's performance security, liquidated damages wholly or partly or termination for default if and to the extent that its delay in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure.

4.29.2 For purposes of this Clause, "Force Majeure" means an event or situation beyond the control

of the Seller that is not foreseeable, is unavoidable, and its origin is not due to negligence or lack of care on the part of the Seller. Such events may include, but not be limited to, acts of the seller in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes including inland transport of seller's end.

4.29.3 If a force majeure situation arises, the buyer shall promptly notify the seller in writing of such condition and the cause thereof. Unless otherwise directed by the seller in writing, the buyer shall continue to perform its obligations under the Contract as far as is reasonably practical and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event.

4.29.4 The COVID – 19 or any pandemic is exemption of the force majeure unless otherwise inland

transport restriction or total lockdown to the normal functions of the public is declared by the Government of Sri Lanka.

4.29.5 The Specific Sales Committee is the decisive Authority for inquire into the situation of force majeure on receipt of notification of buyer with the reasons & cause thereof for their failure in execution of the contract obligations reasonably and release decision without prejudice to the sub clause 4.29.1 above.

#### 4.30. EXTENSION OF TIME DEMURRAGES

4.30.1There is no any extension for removal of stock or settlement of payment where there are no acceptable reasons or situation of Force Majeure.

4.30.2. The demurrage will be charged for the stock not removed within the approved period at USD

2.00 per MT or LKR equivalent for retaining a week referred to the sub-clause 4.18.10 of Clause 4.18, Packing & Clearance of Stock.

4.30.3 The seller will not be account for contamination or loss to the stock not removed within the period originally allowed for removal. In the case of stock further remaining after expiry of the maximum period granted for removal of the stock by the seller inclusive period of demurrage, the seller reserves the right to forfeit the stock and accordingly, terminate the sales tender.

#### 4.31. TERMINATION

4.31. Termination for Default

(a) e seller, at his discretion, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the successful bidder/buyer, may terminate the sales contract in whole or in part and further legal actions appropriate.

- i) if the successful bidder fails to settle the sales contract value fully within the stipulated period or within any extension thereof granted by the seller.
- ii) If the buyer fails to remove and clear any or all of the stock within the period specified in the sales contract, or within any extension thereof granted by the seller.
- iii) If the successful bidder/buyer fails to perform any obligation under the sales contract; or breach the terms and conditions stipulated to the bidding document

iv) If the buyer, in the judgment, the seller has engaged in practices unethical, fraud and corruption in completing for or executing the sales contract as defined in sub-clause 4.2.1, 4.2.2 & 4.2.3 of clause 4.2 Ethics, Frauds & Corruptions under Section 4 Terms & Conditions.

4.31.2 The seller is of the right to deprive the opportunity for participating in the tender to whom the

party who would not submit the shipping documents on exports and return the permits that were provided by seller pursuant to the sub clause 4.18.9 of Clause 4.18. Packing & Clearance of Stock and the bidders who are breaching the terms and conditions of sales contract.

4.31.3 Where the breaching of obligations of the buyer and deliberately causing loss to the seller and

dishonor, Specific Sales Committee could take appropriate actions either by disciplinary or legally in addition to the annulment of the award of tender.

4.31.4 The Specific Sales Committee will be decisive Authority at any resolution sought on the post administrative work of sale tender those arisen beyond the provisions discussed in the bidding documents.

#### 4.32 ASSIGNMENT

4.32.1Neither the seller nor the buyer shall assign, in whole or in part, their obligations under this sales contract, except with prior written consent of the other party

4.32.2 The successful buyer has no permission to change or commit of ownership of the sale tender to the other party without concurrence of seller.

# Gelen Tarih Sayı: 06.09.2024 - 922 SECTION 5 : BIDDING FORM

		DF SRI LANKA	E C C C C C C C C C C C C C C C C C C C	A Company of the second								
Bid	BIDDING FORM Bid Reference No.: LMS/MKT/TDR/24/04											
	DETAILS OF THE BIDDER											
Nar	Name of Proprietor: Passport No											
	Name of the Company: Address:											
Ema	Telephone GeneralFax											
	PRODUCTS	QUANTITY OF PRODUCTS ON SALE (MT)	DELIVERY TERMS	REQUIRED QUANTITY (MT) (PLEASE MENTION THE QTY)	THE AMOUNT OF BID SECURITY (USD)	BID PRICE (EX-WORK WITH ROY (IN FIGURE (	ALTY)					
1	Ilmenite Category A TiO2 – 49 % - 51% Moisture – 0.50% Max. HS 26140010	5,000	Ex – Works Pulmoddai with Royalty									
2	Ilmenite Category B TiO2 – 49 % - 51% Moisture – 0.50% Max. HS 26140010	15,000	Ex – Works Trincomalee Harbour with royalty									
	Zircon ZrO2 – 65% - 67% Moisture – 0.50% Max HS 26151000	100	Ex – Works Pulmoddai with Royalty									
4	High- Titanium Ilmenite (Lot 1) TiO2 – 59% - 61% Moisture – 0.5%max. HS 26140010	3,000	Ex – Works Pulmoddai with royalty									
	High- Titanium Ilmenite (Lot 2) ("as is" in the existing of Stock Pile) TiO2 – 57% - 60% Moisture – 2.00%max HS26140010	6,000	Ex – Works Pulmoddai with royalty 26									

Bu belge, 5070 sayılı Elektronik İmza Kanununa göre Güvenli Elektronik İmza ile imzalanmıştır.

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		Gelen T	Farih Savi: 06 09	2024 - 922	)	 
6	Crude Monazite Monazite - 43.00% - 46.00% Zircon - 40.00% - 44.00% Moisture - 0.50% Max. HS 26159000	700	Fari <u>h Say; 06.09</u> Ex – Works Pulmoddai with royalty			
8	Zircon Concentrate ("AS IS" in the existing of Stock Pile) Ilmenite – 6% - 8% Rutile – 6% - 8% Zircon – 25%-35% Moisture – 2.00%Max HS 26151000	30,000	Ex – Works Pulmoddai with royalty			
Bar Nar Nar					•••••	
Bar						
	THORIZED SIGNATORY				••••••	
Des Adc  Spe NIC	ame ignation ress cimen Signature / Passport No tact Details					

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# Declarationseof the bidder

I / w thee hCaovme praenayd the whole bidding document published by the seller and understood the content is clear and correct. Further I/ we totally agreed that our eligibility criterion is comply with the bidding document. Furthermore, I / we well aware that formal contract will not be signed by both parties for this agreement. However, the sales contract will constitute by the submission of bid, awarding & issuing pro forma invoice, and the acceptance of the buyer to the award. Further to that I / we am/are submitting an unconditional bid here.

I / we hereby confirm the delegate of authority by signing this bid Form to the above signatory to be signed here in after the documents & correspondence dealt on behalf of

.....

... ........... our/ my Company. Full Name of Chairman / Managing Director

of Company .....

Capacity / Designation .....

Passport No. ...... Signature...... Date ......

- N.B. 1. Bidding form need to be duly filled in block letters.
  - Completed bidding form need to be submitted through following e-mail contacts (Submit to emaill<u>mslmineral@industry.gov.lk</u> and copy to lmslmineral.industry@gmail.com)
  - 3. A valid copy of company business registration
  - 4. Valid copies of Passport and National Identity
  - 5. Copy of remittance advice on settle the payment upon bid security or bank guarantee
  - 6. Authorization for leading party in the Consortium/Joint Venture/ Association.



# TENDER NOTICE



# THE GOVERNMENT OF DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA MINISTRY OF INDUSTRIES

# LANKA MINERAL SANDS LIMITED

# SALE OF HEAVY MINERAL SANDS



### INTERNATIONAL COMPETITIVE BIDDING

#### TENDER REFERENCE NO: LMS/MKT/TDR/24/04

The Chairman of Specific Sales Committee, on behalf of Lanka Mineral Sands Limited, invites international bids online from the parties interested in buying the following heavy mineral products produced in Sri Lanka by processing beach mineral sands. The sales process has advanced to receive the bids online on customized order quantity and award the sales orders on a lot basis. The local parties who have achieved the eligible criteria for submission of bids and interested to purchase the product and export or add further value to the product could also submit their bids.

#### THE PRODUCTS ON SALE AND OTHER RELEVENT DETAILS

IN NO	PRODUCTS	QUANTITY ON SALE (METRIC TONNE)	BID SECURITY PER MT (ONLY IN USD)	EX- WORKS PRICE WITH ROYALTY	PACKAGE TYPE	DELIVERY TERM	DATE & TIME OF BID SUBMISSION AND CLOSING
01 I	lmenite Category A (TiO2 49%- 51%) Moisture 0.50% Max HS Code 26140010	5,000	Will be published in 05 working days prior to the tender opening date	Will be published in 05 working days prior to the tender opening date	Loose Bulk or Bulk in Containerized	Ex –Works Pulmoddai with royalty	
02 I	lmenite Category B (TiO2 49%- 51%) Moisture 0.50% Max HS Code 26140010	15,000	-Do-	-Do-	Loose Bulk	Ex - Works Trincomalee Harbour with royalty (adding transport cost + overhead charge	13/09/2024 10.00 a.m to 10.15 a.m
03	Zircon (ZrO2– 65% - 67%) Moisture 0.50% Max. HS Code 26151000	100	-Do-	-Do-	40 Kgs in Bagged Containerized	Ex –Works Pulmoddai with royalty	
04	Hi Titanium Ilmenite (Lot 01) (TiO2 59% - 61%) Moisture 0.50% Max HS Code 26140010	3,000	-Do-	-Do-	Bulk in Containerized	Ex –Works Pulmoddai with royalty	
05	Hi Titanium Ilmenite (Lot 02) (TiO2 57% - 60%) Moisture 2.00% Max HS Code 26140010	6,000	-Do-	-Do-	Bulk in Containerized	Ex –Works Pulmoddai with royalty	
06	Crude Monazite Monazite – 43% -46% Moisture 0.50% Max. HS Code 2615900	700	-Do-	-Do-	Bulk in Containerized	Ex – Works Pulmoddai with royalty	

Bu belge, 5070 sayılı Elektronik İmza Kanununa göre Güvenli Elektronik İmza ile imzalanmıştır.

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			<u>Gelen Larıb</u>	<u> Savı: 06.09.20</u>	124 - 922		 
07	Zircon Concentrate	30,000	-Do-	-Do-	Loosé Bulk	Ex – Works	
	Ilmenite – 6% - 8%				or Bulk in	Pulmoddai	
	Rutile – 6% - 8%				Containerized	with royalty	
	Zircon – 25%-35%						
	Moisture– 2.00%Max						
	HS Code 26151000						

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The complete bidding document, consisting of introduction, invitation for Bids, Specifications of products, terms and conditions and bidding form is published in the official websites: <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> and <a href="http://www.industry.gov.lk">www.

Bid Form downloaded should be used for the submission of the bid. The Interested eligible bidders could submit their bids for the purchase of any product upon their requirement subject to products on sale. However, the bidder who wishers to obtain the Bid Form from Seller as an alternative should send and official request on email to ilmenite@slt.lk or minmarketing@sltnet.lk addressing Marketing Manager, Lanka Mineral sands Limited, 341/13, Sarana Mawatha, Rajagiriya, Sri Lanka retaining a length to ensure the receipt of Bid Form on time.

The bid should accompany the bid security in the amount as specified against the products on sale (The Bid Security amount will be published in 05 working days prior to the Tender opening) and the copies of documents specified in sub – clause 4.6.7 clause 4.6, preparations of bids under section 04, Terms and Conditions of the Sales Contract.

The Bid Security should be in cash by fund transfer/Telegraphic Transferor. A Bid Security issued by licensed Commercial Bank in Sri Lanka against counter guarantee of buyers' Bank which is a reputed one acceptable to the seller. The Bid Security will only be accepted upon credit of the payment to the bank account of the seller mentioned in sub – clause 4.6.6 of the clause 4.6 of the bidding document or confirm the bid security by the seller's bank. A single PDF of prepared consisting with the bid form dully filled in and signed by the signatory and forgoing supported documents that is protected by the bidder himself positing time to be opened at 10.00am of Colombo, Sri Lanka on 13/09/2024 or using own password to open should be sent to email ImsImineral@industry.gov.lk with copy to ImsImineral.industry@gmail.com to receive on or before 13/09/2024.

Bidder who send the Bid on PDF protected with their own password, should send their password on same email to receive

seller's email l<u>mslmineral@industry.gov.lk</u> with copy to lms<u>lmineral.industry@gmail.com</u> within 10.00am- 10.15a.m of Colombo, Sri Lanka on 13/09/2024.

Bids not complying with the above instructions, the late bids and the bids no password within 10.00a.m to 10.15a.m. of Colombo, Sri Lanka on 13/09/2024 will be rejected and not considered for evaluation. Therefore, Bidders should ensure to send their bids and password on time.

The Bids received will be opened by the Bid Opening Committee in the Auditorium of the Ministry of Industries, P.O. Box 570, No73/1, Galle Road, Colombo – 03, Sri Lanka at 10.15 a.m. of Colombo, Sri Lanka on 13/09/2024. Bidder or his authorized representative who chooses to attend at the opening of bids is permitted by the seller. The seller will acknowledge the receipt of the bid to the bidders no sooner the bids are opened.

For further information and clarification, please contact Marketing Manager of Lanka Mineral Sands Limited and Marketing Division on Telephone + 94 11 2883951/2, +94 11 2883954, Fax +94 11 2882668 and Email: <u>ilmenite@slt.lk</u> / <u>minmarketing@sltnet.lk</u>

Chairman,

Specific Sales Committee - LMSL Ministry Of Industries, P.O.Box 570, No73/1, Galle Road, Colombo – 03 Sri Lanka 2024/08/27

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