



THE GOVERNMENT OF DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

MINISTRY OF INDUSTRIES

**LANKA MINERAL SANDS LIMITED**



**BIDDING DOCUMENT**

# Sale of Heavy Mineral Sands

**BID REFERENCE NO: LMS / MKT / TDR / 24/03**

**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.  
2024/06/23

SELLER

Lanka Mineral Sands Limited  
No.341/13, Sarana Mawatha  
Rajagiriya,  
Sri Lanka.

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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.
  
- 1.2.** The Ilmenite Rutile Zircon Plant (IRZ Plant) is the factory of Lanka Mineral Sands Limited and is located at Pulmoddai, in the Eastern 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 **23/06/2024 to 15/07/2024** 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 RELEVANT DETAILS

No.	PRODUCTS	HS CODE	SPECIFICATION	QUANTITY (MT)	PACKAGE METHOD
1.	Ilmenite <b>Category A</b>	26140010	TiO <sub>2</sub> – 49% - 51% Moisture – 0.50% Max.	80,000	Loose Bulk or Bulk in Containerized
2.	Ilmenite <b>Category B</b>	26140010	TiO <sub>2</sub> – 49% - 51% Moisture – 0.50% Max	15,000	Loose Bulk
3.	Rutile	26140020	TiO <sub>2</sub> – 95% - 97% Moisture – 0.50% Max	3,200	40kg in bagged Containerized
4.	Zircon	26151000	ZrO <sub>2</sub> – 65% - 67% Moisture – 0.50% Max	100	40kg in bagged Containerized
5.	High Titanium Ilmenite - <b>Lot 1</b>	26140010	TiO <sub>2</sub> – 59% - 61% Moisture – 0.50% Max.	3,000	Bulk in Containerized
6.	High Titanium Ilmenite - <b>Lot 2</b>	26140010	TiO <sub>2</sub> – 57% - 60% Moisture – 2.00% Max	6,000	Bulk in Containerized
7.	Crude Monazite	26159000	Monazite – 43% - 46% Moisture – 0.50%Max	700	Bulk in Containerized
8.	Zircon Concentrate	26151000	Ilmenite – 6% - 8% Rutile – 6% - 8% Zircon – 25%-35% Moisture – 2.00%Max	30,000	Loose Bulk or Bulk in Containerized

## THE DETAILS FOR BID SUBMISSION

No	PRODUCT	HS CODE	QUANTITY MT	DELIVERY TERM	EX- WORKS PRICE WITH ROYALTY	BID SECURITY PER MT
1.	Ilmenite Category A	26140010	80,000	Ex - Works Pulmoddai with royalty	USD 269.41	USD 13.47
2.	Ilmenite Category B	26140010	15,000	Ex - Works Trincomalee Harbour with royalty (adding transport cost +overhead charge)	USD 275.41	USD 13.77
3.	Rutile	26140020	3,200	Ex - Works Pulmoddai with royalty	USD 1,442.63	USD 72.13
4.	Zircon	26151000	100	Ex - Works Pulmoddai with royalty	USD 1,811.49	USD 90.57
5	High Titanium Ilmenite – Lot 01 (Go down)	26140010	3,000	Ex – Works Pulmoddai with royalty	USD 612.69	USD 30.63
6.	High Titanium Ilmenite-Lot 2 (Open Yard)	26140010	6,000	Ex – Works Pulmoddai with royalty	USD 598.90	USD 29.94
7.	Crude Monazite	26159000	700	Ex- Works Pulmoddai with royalty	USD 2,404.25	USD 120.21
8	Zircon Concentrate	26151000	30,000	Ex – Works Pulmoddai with royalty	USD 533.55	USD 26.68

The complete Bidding Document, consisting of Introduction, Invitations for Bids, Specifications, of products, Terms & Conditions and Bidding Form, is published in the official websites [www.lankamineralsands.com](http://www.lankamineralsands.com) & [www.industry.gov.lk](http://www.industry.gov.lk) 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](mailto:ilmenite@slt.lk) or [minmarketing@slt.net.lk](mailto:minmarketing@slt.net.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 above 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 posing time to be opened at 10.00 a.m. of Colombo, Sri Lanka on **15/07/2024** or using own password to open should be sent to email [lmslmineral@industry.gov.lk](mailto:lmslmineral@industry.gov.lk) with copy to [lmslmineral.industry@gmail.com](mailto:lmslmineral.industry@gmail.com) to receive on or before **15/07/2024** 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](mailto:lmslmineral@industry.gov.lk) with copy to [lmslmineral.industry@gmail.com](mailto:lmslmineral.industry@gmail.com) within 10.00 a.m. – 10.15 a.m. of Colombo, Sri Lanka on **15/07/2024**.

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 **15/07/2024** 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 **15/07/2024**. 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](mailto:ilmenite@slt.lk) / [minmarketing@slt.net.lk](mailto:minmarketing@slt.net.lk)

Chairman,  
Specific Sales Committee - LMSL  
Ministry of Industries,  
PO Box 570, No.73/1, Galle Road,  
Colombo -03,  
Sri Lanka.  
2024/06/23

### **SECTION 3 – SPECIFICATIONS OF PRODUCTS**

3.1. Specification of Ilmenite ( $\text{TiO}_2$  49.00%-51.00%), Rutile ( $\text{TiO}_2$  95% - 97%), Zircon ( $\text{ZrO}_2$  65% - 67%), Crude Monazite (Monazite 43% - 46%) and High Titanium Ilmenite (Lot -1) ( $\text{TiO}_2$  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 ( $\text{TiO}_2$ ) 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.

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இலங்கை கனிப்பொருள் மணல் லிமிட்டெட்  
**LANKA MINERAL SANDS LIMITED**



(Fully Govt. Owned Company Incorporated under companies Act No. 7 of 2007)

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இல்மனைட் ரூட்டைட் சேர்க்கைப் பொறித்தொகுதி, புல்மொட்டை  
Ilmenite Rutile Zircon Plant, Pulmoddal  
දුරකථනය / தொலைபேசி / Telephone: 026-2256131 / 026-2256132  
ෆැක්ස් / தொலைநகல் / Fax: 026-2256133

04.06.2024  
Ref-LAB AL 50/2024  
Marketing Manager  
Through DGM (Plant/Operations),  
Head Office,  
Colombo.

**ANALYSIS REPORT**

Sample Name : ILMENITE  
Tender No : LMS/MKT/TDR/24/03  
Sample No : 4090/ILM

**CHEMICAL ANALYSIS REPORT:**

Constituent	Wt. %
TiO <sub>2</sub>	49.00 – 51.00
Max Moisture Content	00.50

**MINERALOGICAL ANALYSIS:**

Constituent	Weight%	
Magnetite	00.38	
Ilmenite	85.96	
Altered Ilmenite	03.76	
Monazite	00.65	
Garnet	02.09	
Other Magnetics	02.05	
Total Magnetic		94.89
Rutile	00.93	
Zircon	02.06	
Total Non-Magnetic		02.99
Total Heavies		97.88
Quartz	01.74	
Sillimanite	00.38	
Total light minerals		02.12
Total		100.00

**SCREEN ANALYSIS:**

Size of Sieve (Microns)	Weight%	Cumulative Weight%
+1000	00.01	00.01
+500	00.30	00.31
+250	02.55	02.86
+150	17.07	19.93
+106	39.11	59.04
+90	16.43	75.47
+75	14.69	90.16
+63	07.18	97.34
-63	02.66	
Total	100.00	

CHIEF CHEMIST/CHEMIST

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



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இலங்கை கனிப்பொருள் மணல் லிமிட்டெட்  
**LANKA MINERAL SANDS LIMITED**



(Fully Govt. Owned Company incorporated under companies Act No. 7 of 2007)

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Ilmenite Rutile Zircon Plant, Pulmoddal  
  
දුරකථනය / தொலைபேசி / Telephone: 026-2256131 / 026-2256132  
ෆැක්ස් / தொலைநகல் / Fax: 026-2256133

04.06.2024  
Ref-LAB/AL/50/2024  
Marketing Manager  
Through DGM (Plant/Operations),  
Head Office,  
Colombo.

**ANALYSIS REPORT**

Sample Name : HI TI ILMENITE  
Tender No : LMS/MKT/TDR/24/03  
Sample No : 4088/HTI

**CHEMICAL ANALYSIS REPORT**

Constituent	Wt. %
TiO <sub>2</sub>	59.00 – 61.00
Max Moisture Content	00.50

**MINERALOGICAL ANALYSIS**

Constituent	Weight%
Magnetite	00.59
Ilmenite	42.63
Altered Ilmenite	42.82
Monazite	00.59
Garnet	00.78
Other Magnetics	02.92
Total Magnetic	90.33
Rutile	08.65
Zircon	00.96
Total Non-Magnetic	09.61
Total Heavies	99.94
Quartz	00.06
Total light minerals	00.06
Total	100.00

**SCREEN ANALYSIS**

Size of Sieve (Microns)	Weight%	Cumulative Weight%
+500	00.06	00.06
+250	10.56	10.62
+150	46.30	56.92
+106	28.95	85.87
+90	07.34	93.21
+75	04.62	97.83
+63	01.66	99.49
-63	00.51	
Total	100.00	

CHIEF CHEMIST/CHEMIST

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

ක. ම. ප. 1212 (Colombo) 341/21, සරණ මාවත, රාජගිරිය, ශ්‍රී ලංකාව. ලි. ප. අංකය } දුරකථන } 2883961 Web Site : www.lankamineralsands.com  
 ප. ම. ප. 11 (Rajagiriya) 341/21, சரண மாவத்தை, ராஜகிரிய, இலங்கை. பதிவு இல } 2883962 தொ. பே } 2883962 Facsimile : 94-11-2882668  
 P.O.Box } 341/21, Sarana Mawatha, Rajagiriya, Sri Lanka. Reg No. } T'Phone } 2883962 E-mail : kzplant@gmail.com Tgrams Sandsco



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## இலங்கை கனிப்பொருள் மணல் லிமிடெட்

### LANKA MINERAL SANDS LIMITED

(Fully Govt. Owned Company incorporated under companies Act No. 7 of 2007)

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 இல்மனைட் ரூட்டைட் செர்கோன் பொறித்தொகுதி, புல்முட்டை  
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04.06.2024  
 Ref-LAB/AL/50/2024  
 Marketing Manager  
 Through DGM (Plant/Operations),  
 Head Office,  
 Colombo.

**ANALYSIS REPORT**

Sample Name : HI TI ILMENITE  
 Tender No : LMS MKT/TDR/24/03  
 Sample No : 4089/HTI

**CHEMICAL ANALYSIS REPORT**

Constituent	Wt. %
TiO <sub>2</sub>	57.00 - 60.00
Max Moisture Content	02.00

**MINERALOGICAL ANALYSIS**

Constituent	Weight%	
Magnetite	00.46	
Ilmenite	35.69	
Altered Ilmenite	45.25	
Garnet	02.61	
Other Magnetics	<u>05.53</u>	
Total Magnetic		89.54
Rutile	08.03	
Zircon	<u>02.06</u>	
Total Non-Magnetic		10.09
Total Heavies		99.63
Quartz	00.13	
Sillimanite	00.24	
Total light minerals		00.37
Total		100.00

**SCREEN ANALYSIS**

Size of Sieve (Microns)	Weight%	Cumulative Weight%
+1000	00.02	00.02
+500	00.01	00.03
+250	06.62	06.65
+150	42.99	49.64
+106	33.64	83.28
+90	08.48	91.76
+75	05.60	97.36
+63	02.12	99.48
-63	00.52	
Total	<u>100.00</u>	

  
 CHIEF CHEMIST/CHEMIST

**Note:-** This is only for reference purpose. This stock is in the open yard and interested parties should collect samples by themselves before the bidding.



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**இலங்கை கனிப்பொருள் மணல் லிமிட்டெட்**  
**LANKA MINERAL SANDS LIMITED**



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(Fully Govt. Owned Company Incorporated under companies Act No. 7 of 2007)

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 இல்மனைட் ரூட்டைட்ல் சேர்கோன் பொற்த்தொகுதி, புல்முட்டை  
 Ilmenite Rutile Zircon Plant, Pulmoddal  
 දුරකථනය / தொலைபேசி / Telephone: 026-2256131 / 026-2256132  
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04.06.2024  
 Ref-LAB/AL/50/2024  
 Marketing Manager  
 Through DGM (Plant/Operations),  
 Head Office,  
 Colombo.

**ANALYSIS REPORT**

Sample Name : RUTILE  
 Tender No : LMS/MKT/TDR/24/03  
 Sample No : 4091/RUT

**CHEMICAL ANALYSIS REPORT**

Constituent	Wt. %
TiO <sub>2</sub>	95.00 – 97.00
Max Moisture Content	00.50

**MINERALOGICAL ANALYSIS**

Constituent	Weight%	
Ilmenite	00.63	
Altered Ilmenite	02.24	
Other Magnetics	<u>00.16</u>	
Total Magnetic		03.03
Rutile	95.82	
Zircon	<u>01.08</u>	
Total Non-Magnetic		<u>96.90</u>
Total Heavies		99.93
Quartz	00.07	
Total light minerals		<u>00.07</u>
Total		<u>100.00</u>

**SCREEN ANALYSIS**

Size of Sieve (Microns)	Weight%	Cumulative Weight%
+250	01.63	01.63
+150	23.94	25.57
+106	48.55	74.12
+90	14.96	89.08
+75	08.01	97.09
+63	02.30	99.39
-63	<u>00.61</u>	
Total	<u>100.00</u>	

CHIEF CHEMIST/CHEMIST

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



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**இலங்கை கனிப்பொருள் மணல் லிமிடெட்**  
**LANKA MINERAL SANDS LIMITED**



(Fully Govt. Owned Company Incorporated under companies Act No. 7 of 2007)

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 Ilmenite Rutile Zircon Plant, Pulmoddal  
 දුරකථනය / தொலைபேசி / Telephone: 026-2256131 / 026-2256132  
 ෆැක්ස් / தொலைநகல் / Fax : 026-2256133

04.06.2024  
 Ref-LAB/AL/50/2024  
 Marketing Manager  
 Through DGM (Plant Operations),  
 Head Office,  
 Colombo.

**ANALYSIS REPORT**

Sample Name : ZIRCON  
 Tender No : LMS/MKT/TDR/24/03  
 Sample No : 4057/ZIR

**CHEMICAL ANALYSIS REPORT**

Constituent	Wt. %
ZrO <sub>2</sub>	65.00 – 67.00
Max Moisture Content	00.50

**MINERALOGICAL ANALYSIS**

Constituent	Weight%
Monazite	00.28
Other Magnetics	00.05
Total Magnetic	00.33
Rutile	00.47
Zircon	98.65
Total Non-Magnetic	99.12
Total Heavies	99.45
Quartz	00.21
Sillimanite	00.34
Total light minerals	00.55
Total	100.00

**SCREEN ANALYSIS**

Size of Sieve (Microns)	Weight%	Cumulative Weight%
+150	00.02	00.02
+106	00.65	00.67
+90	03.89	04.56
+75	50.25	54.81
+63	33.37	88.18
-63	11.82	
Total	100.00	

CHIEF CHEMIST/CHEMIST

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



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**இலங்கை கனிப்பொருள் மணல் லிமிட்டெட்**  
**LANKA MINERAL SANDS LIMITED**



(Fully Govt. Owned Company incorporated under companies Act No. 7 of 2007)

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04.06.2024  
 Ref-LAB/AL/50/2024  
 Marketing Manager  
 Through DGM (Plant/Operations),  
 Head Office,  
 Colombo.

**ANALYSIS REPORT**

Sample Name : CRUDE MONAZITE  
 Tender No : LMS/MKT/TDR/24/03  
 Sample No : 4087/MON/CS

**CHEMICAL ANALYSIS REPORT**

Constituent	Wt. %
Max Moisture Content	00.50

**MINERALOGICAL ANALYSIS**

Constituent	Weight%
Monazite	43.00 - 46.00
Zircon	40.00 - 44.00

**SCREEN ANALYSIS**

Size of Sieve (Microns)	Weight%	Cumulative Weight%
+500	00.08	00.08
-250	00.24	00.32
+150	01.38	01.70
+106	07.54	09.24
+90	19.69	28.93
+75	37.58	66.51
+63	25.22	91.73
-63	08.27	
Total	100.00	

CHIEF CHEMIST/CHEMIST

Note:- This is only for reference purpose. Interested parties should collect samples by themselves before the bidding.

නැ. ම.ප. } 1212 (Colombo) த. பெ. } 11 (Rajagiriya) P.O.Box } 11 (Rajagiriya)	341/21, සරණ මාවත, රාජගිරිය, ශ්‍රී ලංකාව. ලි.ප. අංකය } 341/21, சரண மாவத்தை, ராஜகிரியா, இலங்கை. பதிவு இல } 341/21, Sarana Mawatha, Rajagiriya, Sri Lanka. Reg No. }	දුරකථන } 2663961 தொ. பே. } 2663962 T'Phone } 2663962	Web Site : www.lankamineralsands.com Facsimile : 94-11-2662668 E-mail : lrzplant@gmail.com	වි. ප. සැන්ඩ්ස් தந்திகள் சென்ட்ரல்கள் T'grams Sandeco
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**இலங்கை கனிப்பொருள் மணல் லிமிட்டெட்**  
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04.06.2024  
 Ref-LAB/AL/50/2024  
 Marketing Manager  
 Through DGM (Plant/Operations).  
 Head Office,  
 Colombo.

**ANALYSIS REPORT**

Sample Name : ZIRCON CONCENTRATE  
 Tender No : LMS/MKT/TDR/24/03  
 Sample No : 4079/ZC

**CHEMICAL ANALYSIS**

Constituent	Weight%
Max Moisture Content	02.00

**MINERALOGICAL ANALYSIS**

Constituent	Weight%
Ilmenite	(02.50 - 03.00)
Altered Ilmenite	(03.50 - 05.00)
Monazite	(01.00 - 02.00)
Garnet	(02.50 - 04.00)
Rutile	(06.00 - 08.00)
Zircon	(25.00 - 35.00)
Sillimanite	(15.00 - 17.00)

**SCREEN ANALYSIS**

Size of Sieve (Microns)	Weight%	Cumulative Weight%
+1000	00.15	00.15
+500	00.31	00.46
+250	03.41	03.87
+150	35.01	38.88
+106	38.34	77.22
+90	12.50	89.72
+75	07.14	96.86
+63	02.48	99.34
- 63	00.66	
Total	100.00	

CHIEF CHEMIST/CHEMIST

**Note:-** This is only for reference purpose. This stock is in open yard and interested parties should collect samples by themselves before the bidding.

## **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**

**4.2.1** The 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**

**4.3.1.** Bidding 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**

**4.4.1.** All bidders 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**

**4.5.1.** Products 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



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**

**4.6.1** 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 Rutile, Zircon & Crude Monazite, 500 MT for Hi Ti Ilmenite, 5000MT for Zircon Concentrate and 10,000MT for Ilmenite. 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 (08/08/2024) 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 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 – BCEYLK LX**) 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 **15/07/2024**. 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.

**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)
- ii. 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 Owner/Shareholders (if applicable)
- v. The collective agreement of the Consortium/ Association/ Joint Venture (if applicable) by designating of leading party so as to grant authorization to work on.
- vi. 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 **15/07/2024** at the sending of bid.

#### **4.7. AMENDMENT TO BIDDING DOCUMENT**

**4.7.1** Amendment 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 and 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 **15/07/2024** to receive email [lmslmineral@industry.gov.lk](mailto:lmslmineral@industry.gov.lk) with copy to [lmslmineral.industry@gmail.com](mailto:lmslmineral.industry@gmail.com)

**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**

**4.10.1** The bids 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 **15/07/2024** 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**

**4.11.1** The Specific 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 highest-evaluated 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**

**4.12.1** The seller 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. 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 could also be used for furnish of the performance security)**. The second installment should be paid on 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.

#### **4.14. TAXES AND DUTIES**

**4.14.1** The 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**

**4.15.1** The 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.

**4.15.2.** No sooner 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**

**4.16.1** The buyer 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**

**4.17.1** Where the 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  $\geq$  50MT  $\leq$  500MT
- b) 20 days for the stock  $>$  500MT  $\leq$  1000MT
- c) 30 days for the stock  $>$  1000MT  $\leq$  5000MT
- d) 40 days for the stock  $>$  5000MT  $\leq$ 10000MT
- e) 50 days for the stock  $>$  10000MT  $\leq$  20000MT
- f) 60 days for the stock  $>$  20000MT  $\leq$  30000MT
- g) 02days more is provided for every 1000MT where the tonnage sold is more than 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**

**4.20.1** The contract 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.

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

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

**4.23.** The composition 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.

**4.23.1** The 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.

## **4.24. INSPECTIONS AND TESTS**

**4.24.1** The seller 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.

**4.24.2** 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.

**4.24.3** 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**

**4.24.1.** All 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 01<sup>st</sup> 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 LAW**

**4.25.1** The 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**

**4.26.1** The seller 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**

**4.27.1** The seller 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**

**4.28.1** 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**

**4.29.1** The seller 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**

**4.30.1.** There 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**

##### **4.31.1 Termination for Default**

(a) The 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**

**4.32.1** Neither 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.

# SECTION 5 : BIDDING FORM



THE GOVERNMENT OF DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

MINISTRY OF INDUSTRIES

**LANKA MINERAL SANDS LIMITED**



## BIDDING FORM

Bid Reference No.: LMS/MKT/TDR/24/03

### DETAILS OF THE BIDDER

Name of Proprietor:..... Passport No.....

Name of the Company:.....

Address:.....

Telephone General..... Fax..... Mobile T.P.....

Email..... Website.....

Whatsapp/Wechat of the Head of Company.....

	PRODUCTS	QUANTITY OF PRODUCTS ON SALE (MT)	DELIVERY TERMS	REQUIRED QUANTITY (MT) (PLEASE MENTION THE QTY)	THE AMOUNT OF BID SECURITY (USD)	BID PRICE PER MT IN USD (EX-WORKS PRICE WITH ROYALTY) (IN FIGURE CLEARLY)	
1	Ilmenite Category A TiO <sub>2</sub> – 49 % - 51% Moisture – 0.50% Max. HS 26140010	80,000	Ex – Works Pulmoddai with Royalty				
2	Ilmenite Category B TiO <sub>2</sub> – 49 % - 51% Moisture – 0.50% Max. HS 26140010	15,000	Ex – Works Trincomalee Harbour with royalty				
3	Rutile TiO <sub>2</sub> – 95% - 97% Moisture – 0.50% Max HS 26140020	3,200	Ex – Works Pulmoddai with Royalty				
4	Zircon ZrO <sub>2</sub> – 65% - 67% Moisture – 0.50% Max HS 26151000	100	Ex – Works Pulmoddai with Royalty				
5	High- Titanium Ilmenite (Lot 1) TiO <sub>2</sub> – 59% - 61% Moisture – 0.5% max. HS 26140010	3,000	Ex – Works Pulmoddai with royalty				

6	High- Titanium Ilmenite (Lot 2) ("as is" in the existing of Stock Pile) TiO <sub>2</sub> - 57% - 60% Moisture - 2.00% max HS26140010	6,000	Ex - Works Pulmoddai with royalty				
7	Crude Monazite Monazite - 43.00% - 46.00% Zircon - 40.00% - 44.00% Moisture - 0.50% Max. HS 26159000	700	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				

**FINANCIAL INFORMATIONS:**

**Bank Details of the Bidder:**

Name of the Account Holder: .....

Name of the Bank : .....

Address of Bank : .....

Bank Account No : .....

IBAN No: ..... Swift Code: .....

**AUTHORIZED SIGNATORY**

1. Name.....

Designation.....

Address.....

.....

Specimen Signature .....

NIC / Passport No. ....

Contact Details.....

.....

.....

**Declaration of the bidder**

I / we have read 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.
  2. Completed bidding form need to be submitted through following e-mail contacts  
(Submit to email [lmslmineral@industry.gov.lk](mailto:lmslmineral@industry.gov.lk) and copy to [lmslmineral.industry@gmail.com](mailto: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.