

Section I. Instructions to Bidders (ITB)

ITB shall be read in conjunction with the Section II, Bidding Data Sheet (BDS), which shall take precedence over ITB.

General

- 1. Scope of Bid** 1.1 The Purchaser **indicated in the Bidding Data Sheet (BDS)**, issues these Bidding Documents for the supply of Goods and Related Services incidental thereto as specified in Section V, Schedule of Requirements. The name and identification number of this procurement are **specified in the BDS**. The name, identification, and number of lots (individual contracts), if any, are **provided in the BDS**.
- 1.2 Throughout these Bidding Documents:
- (a) the term "in writing" means communicated in written form by mail (other than electronic mail) or hand delivered with proof of receipt;
 - (b) if the context so requires, "singular" means "plural" and vice versa; and
 - (c) "day" means calendar day.
- 2. Source of Funds** 2.1 Payments under this contract will be financed by the source **specified in the BDS**.
- 3. Ethics, Fraud and Corruption** 3.1 The attention of the bidders is drawn to the following guidelines of the Procurement Guidelines published by National Procurement Agency:
Parties associated with Procurement Actions, namely, suppliers/contractors and officials shall ensure that they maintain strict confidentiality throughout the process;
Officials shall refrain from receiving any personal gain from any Procurement Action. No gifts or inducement shall be accepted. Suppliers/contractors are liable to be disqualified from the bidding process if found offering any gift or inducement which may have an effect of influencing a decision or impairing the objectivity of an official.
- 3.2 The Purchaser requires the bidders, suppliers, contractors, and consultants to observe the highest standard of ethics during the procurement 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 official in the procurement process or in contract execution

- (b) "fraudulent practice" means a misrepresentation or omission of facts in order to influence a procurement process or the execution of a contract;
- (c) "collusive practice" means a scheme or arrangement between two or more bidders, with or without the knowledge of the Purchaser to establish bid prices at artificial, noncompetitive levels; and
- (d) "Coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the procurement process or affect the execution of a contract.

3.3 If the Purchaser found any unethical practices as stipulated under ITB Clause 3.2, the Purchaser will reject a bid, if it is found that a Bidder directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for the Contract in question.

4. Eligible Bidders

4.1 All bidders shall possess legal rights to supply the Goods under this contract.

4.2 A Bidder shall not have a conflict of interest. All bidders found to have conflict of interest shall be disqualified. Bidders may be considered to have a conflict to interest with one or more parties in this bidding process, if they:

- (a) are or have been associated in the past, with a firm or any of its affiliates which have been engaged by the Purchaser to provide consulting services for the preparation of the design, specifications, and other documents to be used for the procurement of the goods to be purchased under these Bidding Documents ; or
- (b) Submit more than one bid in this bidding process. However, this does not limit the participation of subcontractors in more than one bid.

4.3 A Bidder that is under a declaration of ineligibility by National Procurement agency (NPA), at the date of submission of bids or at the date of contract award, shall be disqualified. The list of debarred firms is available at the website(www.treasury.gov.lk/procurement-guidelines-and-manuals). Foreign Bidder may submit a bid only if so stated in the BDS.

5. Eligible Goods and Related Services

5.1 All goods supplied under this contract shall be complied with applicable standards stipulated by the Sri Lanka Standards Institute (SLSI). In the absence of such standards, the Goods supplied

shall be complied with other internationally accepted standards.

Contents of Bidding Documents

- 6. Sections of Bidding Documents** 6.1 The Bidding Document include all the sections indicated below, and should be read in conjunction with any addendum issued in accordance with ITB Clause 8
- Section I. Instructions to Bidders (ITB)
 - Section II. Bidding Data Sheet (BDS)
 - Section III. Evaluation and Qualification Criteria
 - Section IV. Bidding Forms
 - Section V. Schedule of Requirements
 - Section VI. Conditions of Contract (CC)
 - Section VII. Contract Data
 - Section VIII. Contract Forms
 - Annexure 01
 - Annexure 02
- 7. Clarification of Bidding Documents** 7.1 The Bidder is expected to examine all instructions, forms, terms, and specifications in the Bidding Documents. Failure to furnish all information or documentation required by the Bidding Documents may result in the rejection of the bid
- 7.2 A prospective Bidder requiring any clarification of the Bidding Documents including the restrictiveness of specifications shall contact the Purchaser in writing at the Purchaser's address **specified in the BDS** or bidder can request for clarification in the pre-bid meeting held by the purchaser. The Purchaser will respond in writing to any request for clarification, provided that such request is received no later than ten (10) days prior to the deadline for submission of bids. The Purchaser shall forward copies of its response to all those who have purchased the Bidding Documents, including a description of the inquiry but without identifying its source. Should the Purchaser deem it necessary to amend the Bidding Documents as a result of a clarification, it shall do so following the procedure under ITB Clause 8.

- 8. Amendment of Bidding Documents**
- 8.1 At any time prior to the deadline for submission of bids, the Purchaser may amend the Bidding Documents by issuing addendum.
- 8.2 Any addendum issued shall be part of the Bidding Documents and shall be communicated in writing to all who have purchased the Bidding Documents.
- 8.3 To give prospective Bidders reasonable time in which to take an addendum into account in preparing their bids, the Purchaser may, at its discretion, extend the deadline for the submission of bids, pursuant to ITB Sub-Clause 23.2

Preparation of Bids

- 9. Cost of Bidding**
- 9.1 The Bidder shall bear all costs associated with the preparation and submission of its bid, and the Purchaser shall not be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.
- 10. Language of Bid**
- 10.1 The Bid, as well as all correspondence and documents relating to the Bid (including supporting documents and printed literature) exchanged by the Bidder and the Purchaser, shall be written in English language.
- 11. Documents Comprising the Bid**
- 11.1 The Bid shall comprise the following:
- (a) Bid Submission Form and the applicable Price Schedules, in accordance with **ITB Clauses 12, 14, and 15;**
 - (b) Bid security or Bid-Securing Declaration, in accordance with ITB Clause 20;
 - (c) Documentary evidence in accordance with ITB Clauses 18 and 29, that the Goods and Related Services conform to the Bidding Documents;
 - (d) Documentary evidence in accordance with ITB Clause 18 establishing the Bidder's qualifications to perform the contract if its bid is accepted; and
 - (e) Any other document required in the BDS.
- 12. Bid Submission Form and Price Schedules**
- 12.1 The Bidder shall submit the Bid Submission Form using the form furnished in Section IV, Bidding Forms. This form must be completed without any alterations to its format, and no substitutes shall be accepted. All blank spaces shall be filled in with the information requested.

- 13. Alternative Bids** 13.1 Alternative bids shall not be considered.
- 14. Bid Prices and Discounts** 14.1 The Bidder shall indicate on the Price Schedule the unit prices and total bid prices of the goods it proposes to supply under the Contract.
- 14.2 Any discount offered against any single item in the price schedule shall be included in the unit price of the item. However, a Bidder wishes to offer discount as a lot the bidder may do so by indicating such amounts appropriately.
- 14.3 If so indicated in ITB Sub-Clause 1.1, bids are being invited for individual contracts (lots) or for any combination of contracts (packages). Unless otherwise indicated in the **BDS**, prices quoted shall correspond to 100 % of the items specified for each lot and to 100% of the quantities specified for each item of a lot. Bidders wishing to offer any price reduction (discount) for the award of more than one Contract shall specify the applicable price reduction separately.
- 14.4 (i) Prices indicated on the Price Schedule shall include all duties and sales and other taxes already paid or payable by the Supplier:
(a) on components and raw material used in the manufacture or assembly of goods quoted; or
(b) on the previously imported goods of foreign origin
(ii) However, VAT shall not be included in the price but shall be indicated separately;
(iii) The price for inland transportation, insurance and other related services to deliver the goods to their final destination;
(iv) The price of other incidental services
- 14.5 The Prices quoted by the Bidder shall be fixed during The Bidder's performance of the Contract and not Subject to variation on any account. A bid submitted with an adjustable price quotation will be treated as Non-responsive and rejected, pursuant to ITB Clause 31.
- 14.6 All lots, if any and items must be listed and priced separately in the Price Schedules. If a Price Schedule shows items listed but not priced, their prices shall be assumed to be included in the prices of other items.

- 15. Currencies of Bid** 15.1 Unless otherwise stated in Bidding Data Sheet, the Bidder shall quote in **Sri Lankan Rupees** and payment shall be payable only in Sri Lanka Rupees.
- 16. Documents Establishing the Eligibility of the Bidder** 16.1 To establish their eligibility in accordance with ITB Clause 4, Bidders shall complete the Bid Submission Form, included in Section IV, Bidding Forms.
- 17. Documents Establishing the Conformity of the Goods and Related Services** 17.1 To establish the conformity of the Goods and Related Services to the Bidding Documents, the Bidder shall furnish as part of its Bid the documentary evidence that the Goods conform to the technical specifications and standards specified in Section V, Schedule of Requirements.
- 17.2 The documentary evidence may be in the form of literature, drawings or data, and shall consist of a detailed item by item description (given in Section V, Technical Specifications) of the essential technical and performance characteristics of the Goods and Related Services, demonstrating substantial responsiveness of the Goods and Related Services to the technical specification, and if applicable, a statement of deviations and exceptions to the provisions of the Schedule of Requirements.
- 17.3 The Bidder shall also furnish a list giving full particulars, including quantities, available sources and current prices of spare parts, special tools, etc., necessary for the proper and continuing functioning of the Goods during the period if **specified in the BDS** following commencement of the use of the goods by the Purchaser.
- 18. Documents Establishing the Qualifications of the Bidder** 18.1 The documentary evidence of the Bidder's qualifications to perform the contract if its bid is accepted shall establish to the Purchaser's satisfaction:
- (a) A Bidder that does not manufacture or produce the Goods it offers to supply shall submit the Manufacturer's Authorization using the form included in Section IV, Bidding Forms to demonstrate that it has been duly authorized by

- the manufacturer or producer of the Goods to supply these Goods;
- (b) that, if **required in the BDS**, in case of a Bidder not doing business within Sri Lanka, the Bidder is or will be (if awarded the contract) represented by an Agent in Sri Lanka equipped and able to carry out the Supplier's maintenance, repair and spare parts-stocking obligations prescribed in the Conditions of Contract and/ or Technical Specifications; and
- (c) that the Bidder meets each of the qualification criterion specified in Section III, Evaluation and Qualification Criteria.
- 19. Period of Validity of Bids**
- 19.1 Bids shall remain valid until the date **specified in the BDS**.
A bid valid for a shorter date shall be rejected by the Purchaser as non-responsive.
- 19.2 In exceptional circumstances, prior to the expiration of the bid validity date, the Purchaser may request bidders to extend the period of validity of their bids. The request and the responses shall be made in writing. If a Bid Security is requested in accordance with ITB Clause 20, it shall also be extended for a corresponding period. A Bidder may refuse the request without forfeiting its Bid Security. A Bidder granting the request shall not be required or permitted to modify its bid.
- 20. Bid Security**
- 20.1 The Bidder shall furnish as part of its bid, a Bid Security or a Bid-Securing Declaration, as **specified in the BDS**.
- 20.2 The Bid Security shall be in the amount **specified in the BDS** and denominated in **Sri Lanka Rupees**, and shall:
- (a) at the bidder's option, be in the form of either a bank draft, a letter of credit, or a bank guarantee from a banking institution;
- (b) be issued by a institution acceptable to Purchaser. The acceptable institutes are published in the Treasury Web site, (<http://www.treasury.gov.lk/procurement-guidelines-and-manuals>).
- (c) be substantially in accordance with the form included in Section IV, Bidding Forms;
- (d) be payable promptly upon written demand by the Purchaser in case the conditions listed in

- ITB Clause 20.5 are invoked;
- (e) be submitted in its original form; copies will not be accepted;
- (f) Remain valid for the period specified in the BD S.

- 20.3 Any bid not accompanied by a substantially responsive Bid Security or Bid Securing Declaration in accordance with ITB Sub-Clause 20.1 and 20.2, may be rejected by the Purchaser as non-responsive.
- 20.4 The Bid Security of unsuccessful Bidders shall be returned as promptly as possible upon the successful Bidder's furnishing of the Performance Security pursuant to ITB Clause 43.
- 20.5 The Bid Security may be forfeited or the Bid Securing Declaration executed:
- (a) if a Bidder withdraws its bid during the period of bid validity specified by the Bidder on the Bid Submission Form, except as provided in ITB Sub- Clause 19.2; or
 - (b) if a Bidder does not agreeing to correction of arithmetical errors in pursuant to ITB Sub-Clause 30.3
 - (c) if the successful Bidder fails to:
 - (i) sign the Contract in accordance with ITB Clause 42;
 - (ii) Furnish a Performance Security in accordance with ITB Clause 43.

21. Format and Signing of Bid

- 21.1 The Bidder shall prepare one original of the documents comprising the bid as described in ITB Clause 11 and clearly mark it as "ORIGINAL." In addition, the Bidder shall submit a copy of the bid and clearly mark it as "COPY." In the event of any discrepancy between the original and the copy, the original shall prevail.
- 21.2 The original and the Copy of the bid shall be typed or written in indelible ink and shall be signed by a person duly authorized to sign on behalf of the Bidder.
- 21.3 Any interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the person signing the Bid.

Submission and Opening of Bids

- 22. Submission Sealing and Marking of Bids**
- 22.1 Bidders may always submit their bids by mail or by hand.
- (a) Bidders submitting bids by mail or by hand, shall enclose the original and the copy of the Bid in separate sealed envelopes, duly marking the envelopes "ORIGINAL" and "COPY." These envelopes containing the original and the copy shall then be enclosed in one single envelope.
- 22.2 The inner and outer envelopes shall:
- (a) Bear the name and address of the Bidder;
- (b) be addressed to the Purchaser in accordance with ITB Sub-Clause 23.1;
- (c) bear the specific identification of this bidding process **as indicated in the BDS**; and
- (d) bear a warning not to open before the time and date for bid opening, in accordance with ITB Sub-Clause 261.
- If all envelopes are not sealed and marked as required, the Purchaser will assume no responsibility for the misplacement or premature opening of the bid.
- 23. Deadline for Submission of Bids**
- 23.1 Bids must be received by the Purchaser at the address and no later than the date and time **specified in the BDS**.
- 23.2 The Purchaser may, at its discretion, extend the deadline for the submission of bids by amending the Bidding Documents in accordance with ITB Clause 8, in which case all rights and obligations of the Purchaser and Bidders previously subject to the deadline shall thereafter be subject to the deadline as extended.
- 24. Late Bids**
- 24.1 The Purchaser shall not consider any bid that arrives after the deadline for submission of bids, in accordance with ITB Clause 23. Any bid received by the Purchaser after the deadline for submission of bids shall be declared late, rejected, and returned unopened to the Bidder.
- 25. Withdrawal, and Modification of Bids**
- 25.1 A Bidder may withdraw, or modify its Bid after it has been submitted by sending a written notice

in accordance with ITB Clause 22, duly signed by an authorized representative, and shall include a copy of the authorization in accordance with ITB Sub-Clause 21.2, (except that no copies of the withdrawal notice are required). The corresponding substitution or modification of the bid must accompany the respective written notice. All notices must be:

- (a) submitted in accordance with ITB Clauses 21 and 22 (except that withdrawal notices do not require copies), and in addition, the respective envelopes shall be clearly marked "WITHDRAWAL," or "MODIFICATION;" and
- (b) Received by the Purchaser prior to the deadline prescribed for submission of bids, in accordance with ITB Clause 23.

25.2 Bids requested to be withdrawn in accordance with ITB Sub-Clause 25.1 shall be returned to the Bidders only upon notification of contract award to the successful bidder in accordance with sub clause 41.1.

25.3 No bid may be withdrawn, substituted, or modified in the interval between the deadline for submission of bids and the expiration of the period of bid validity specified by the Bidder on the Bid Submission Form or any extension thereof.

26. Bid Opening

26.1 The Purchaser shall conduct the bid opening in public at the address, date and time specified in the BDS.

26.2 First, envelopes marked "WITHDRAWAL" shall be opened and read out and the envelope with the corresponding bid may be opened at the discretion of the Purchaser. No bid withdrawal shall be permitted unless the corresponding withdrawal notice contains a valid authorization to request the withdrawal and is read out at bid opening. Envelopes marked "MODIFICATION" shall be opened and read out with the corresponding Bid. No Bid modification shall be permitted unless the corresponding modification notice contains a valid authorization to request the modification and is read out at Bid opening. Only envelopes that are opened and read out at Bid opening shall be considered further.

- 26.3 All other envelopes shall be opened one at a time, reading out: the name of the Bidder and whether there is a modification; the Bid Prices, including any discounts and alternative offers; the presence of a Bid Security or Bid-Securing Declaration, if required; and any other details as the Purchaser may consider appropriate. Only discounts and alternative offers read out at Bid opening shall be considered for evaluation. No Bid shall be rejected at Bid opening except for late bids, in accordance with ITB Sub-Clause 24.1.
- 26.4 The Purchaser shall prepare a record of the Bid opening that shall include, as a minimum: the name of the Bidder and whether there is a withdrawal, or modification; the Bid Price, per lot if applicable, including any discounts, and the presence or absence of a Bid Security or Bid-Securing Declaration. The bids that were opened shall be resealed in separate envelopes, promptly after the bid opening. The Bidders' representatives who are present shall be requested to sign the attendance sheet. A copy of the record shall be distributed to all Bidders who submitted bids in time.

Evaluation and Comparison of Bids

- 27. Confidentiality**
- 27.1 Information relating to the examination, evaluation, comparison, and post-qualification (if applicable) of bids, and recommendation of contract award, shall not be disclosed to bidders or any other persons not officially concerned with such process until publication of the Contract Award.
- 27.2 Any effort by a Bidder to influence the Purchaser in the examination, evaluation, comparison, and post-qualification of the bids or contract award decisions may result in the rejection of its Bid.
- 27.3 Notwithstanding ITB Sub-Clause 27.2, if any Bidder wishes to contact the Purchaser on any matter related to the bidding process, from the time of bid opening to the time of Contract Award, it should do so in writing.

- 28. Clarification of Bids** 28.1 To assist in the examination, evaluation, comparison and post-qualification of the bids, the Purchaser may, at its discretion, request any Bidder for a clarification of its Bid. Any clarification submitted by a Bidder in respect to its Bid and that is not in response to a request by the Purchaser shall not be considered for purpose of evaluation. The Purchaser's request for clarification and the response shall be in writing. No change in the prices or substance of the Bid shall be sought, offered, or permitted, except to confirm the correction of arithmetic errors discovered by the Purchaser in the Evaluation of the bids, in accordance with ITB Clause 30.
- 29. Responsiveness of Bids** 29.1 The Purchaser's determination of a bid's responsiveness is to be based on the contents of the bid itself.
- 29.2 A substantially responsive Bid is one that conforms to all the terms, conditions, and specifications of the Bidding Documents without material deviation, reservation, or omission. A material deviation, reservation, or omission is one that:
- (a) affects in any substantial way the scope, quality, or performance of the Goods and Related Services specified in the Contract; or
 - (b) limits in any substantial way, inconsistent with the Bidding Documents, the Purchaser's rights or the Bidder's obligations under the Contract; or
 - (c) if rectified would unfairly affect the competitive position of other bidders presenting substantially responsive bids.
- 29.3 If a bid is not substantially responsive to the Bidding Documents, it shall be rejected by the Purchaser and may not subsequently be made responsive by the Bidder by correction of the material deviation, reservation, or omission.
- 30. Nonconformities, Errors, and Omissions** 30.1 Provided that a Bid is substantially responsive, the Purchaser may waive any non-conformities or omissions in the Bid that do not constitute a material deviation.

- 30.2 Provided that a bid is substantially responsive, the Purchaser may request that the Bidder submit the necessary information or documentation, within a reasonable period of time, to rectify nonmaterial nonconformities or omissions in the bid related to documentation requirements. Such omission shall not be related to any aspect of the price of the Bid. Failure of the Bidder to comply with the request may result in the rejection of its Bid.
- 30.3 Provided that the Bid is substantially responsive, the Purchaser shall correct arithmetical errors on the following basis:
- (a) if there is a discrepancy between the unit price and the line item total that is obtained by multiplying the unit price by the quantity, the unit price shall prevail and the line item total shall be corrected, unless in the opinion of the Purchaser there is an obvious misplacement of the decimal point in the unit price, in which case the line item total as quoted shall govern and the unit price shall be corrected;
 - (b) if there is an error in a total corresponding to addition or subtraction of subtotals, the subtotals prevail and the total shall be corrected; and if there is a discrepancy between words and figures, the amount expressed in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject to (a) above.
- 30.4 If the Bidder that submitted the lowest evaluated Bid does not accept the correction of errors, its Bid shall be disqualified and its Bid Security shall be forfeited or its Bid-Securing Declaration shall be executed.

31.Preliminary Examination of Bids

- 31.1 The Purchaser shall examine the bids to confirm that all documents and technical documentation requested in ITB Clause 11 have been provided, and to determine the completeness of each document submitted.
- 31.2 The Purchaser shall confirm that the following documents and information have been provided in the Bid. If any of these documents or information is missing, the Bid shall be rejected.
- (a) Bid Submission Form, in accordance with ITB

- Sub- Clause 12.1;
- (b) Price Schedules, in accordance with ITB Sub-Clause 12;
- (c) Bid Security or Bid Securing Declaration, in accordance with ITB Clause 20.

32. Examination of Terms and Conditions; Technical Evaluation

- 32.1 The Purchaser shall examine the Bid to confirm that all terms and conditions specified in the Condition of Contract and the **Contract Data** have been accepted by the Bidder without any material deviation or reservation.
- 32.2 The Purchaser shall evaluate the technical aspects of the Bid submitted in accordance with ITB Clause 17, to confirm that all requirements specified in Section V, Schedule of Requirements of the Bidding Documents have been met without any material deviation or reservation.
- 32.3 If, after the examination of the terms and conditions and the technical evaluation, the Purchaser determines that the Bid is not substantially responsive in accordance with ITB Clause 29, the Purchaser shall reject the Bid.

33. Conversion to Single Currency

- 33.1 If the bidders are allowed to quote in foreign currencies in accordance with sub clause 15.1, for evaluation and comparison purposes, the Purchaser shall convert all bid prices expressed in foreign currencies in to Sri Lankan Rupees using the selling rates prevailed 28 days prior to closing of bids as published by the Central Bank of Sri Lanka. If this date falls on a public holiday the earliest working day prior to the date shall be applicable.

34. Domestic Preference

- 34.1 Domestic preference shall be a factor in bid evaluation only if stated in the BDS. If domestic preference shall be a bid-evaluation factor, the methodology for calculating the margin of preference and the criteria for its application shall be as specified in Section III, Evaluation and Qualification Criteria.

- 35. Evaluation of Bids**
- 35.1 The Purchaser shall evaluate each bid that has been determined, up to this stage of the evaluation, to be substantially responsive.
- 35.2 To evaluate a Bid, the Purchaser shall only use all the factors, methodologies and criteria defined in this ITB Clause 35.
- 35.3 To evaluate a Bid, the Purchaser shall consider the following:
- (a) the Bid Price as quoted in accordance with clause 14;
 - (b) price adjustment for correction of arithmetic errors in accordance with ITB Sub-Clause 30.3;
 - (c) price adjustment due to discounts offered in accordance with ITB Sub-Clause 14.2; and 14.3
 - (d) adjustments due to the application of the evaluation criteria specified in the BDS from amongst those set out in Section III, Evaluation and Qualification Criteria;
 - (e) Adjustments due to the application of a domestic preference, in accordance with ITB Clause 34 if applicable.
- 35.4 The Purchaser's evaluation of a bid may require the consideration of other factors, in addition to the factors stated in ITB Sub-Clause 35.3, if specified in BD S. These factors may be related to the characteristics, performance and terms and conditions of purchase of the Goods and related Services. The effect of the factors selected, if any, shall be expressed in monetary terms to facilitate comparison of bids
- 35.5 If so specified in the BDS, these Bidding Documents shall allow Bidders to quote for one or more lots, and shall allow the Purchaser to award one or multiple lots to more than one Bidder. The methodology of evaluation to determine the lowest-evaluated lot combinations, is specified in Section III, Evaluation and Qualification Criteria, if applicable.
- 36. Comparison of Bids**
- 36.1 The Purchaser shall compare all substantially responsive bids to determine the lowest-evaluated bid, in accordance with ITB Clause 35.

- 37. Post Qualification of the Bidder** 37.1 The Purchaser shall determine to its satisfaction whether the Bidder that is selected as having submitted the lowest evaluated and substantially responsive bid is qualified to perform the Contract satisfactorily.
- 37.2 The determination shall be based upon an examination of the documentary evidence of the Bidder's qualifications submitted by the Bidder, pursuant to ITB Clause 18.
- 37.3 An affirmative determination shall be a prerequisite for award of the Contract to the Bidder. A negative determination shall result in disqualification of the bid, in which event the Purchaser shall proceed to the next lowest evaluated bid to make a similar determination of that Bidder's capabilities to perform satisfactorily.
- 38. Purchaser's Right to Accept Any Bid, and to Reject Any or All Bids** 38.1 The Purchaser reserves the right to accept or reject any bid, and to annul the bidding process and reject all bids at any time prior to contract award, without thereby incurring any liability to Bidders.

Award of Contract

- 39. Award Criteria** 39.1 The Purchaser shall award the Contract to the Bidder whose offer has been determined to be the lowest evaluated bid and is substantially responsive to the Bidding Documents, provided further that the Bidder is determined to be qualified to perform the Contract satisfactorily.
- 40. Purchaser's Right to Vary Quantities at Time of Award** 40.1 At the time the Contract is awarded, the Purchaser reserves the right to increase or decrease the quantity of Goods and Related Services originally specified in Section V, Schedule of Requirements, provided this does not exceed twenty five percent (25%) or one unit whichever is higher and without any change in the unit prices or other terms and conditions of the bid and the Bidding Documents.
- 41. Notification of Award** 41.1 Prior to the expiration of the period of bid validity, the Purchaser shall notify the successful Bidder, in writing, that its Bid has been accepted.

- 41.2 Until a formal Contract is prepared and executed, the notification of award shall constitute a binding Contract.
- 41.3 Up on the successful Bidder's furnishing of the signed Contract Form and performance security pursuant to ITB Clause 43, the Purchaser will promptly notify each unsuccessful Bidder and will discharge its bid security, pursuant to ITB Clause 20.4.
- 42. Signing of Contract**
- 42.1 Within Seven (7) days after notification, the Purchaser shall complete the Agreement, and inform the successful Bidder to sign it.
- 42.2 Within Seven (7) days of receipt of such information, the successful Bidder shall sign the Agreement.
- 43. Performance Security**
- 43.1 Whose offer is substantially responsive and is determined by the Purchaser to be qualified to perform the Contract satisfactorily.
- 43.2 Within fourteen (14) days of the receipt of notification of award from the Purchaser, the successful Bidder, if required, shall furnish the Performance Security in accordance with the CC, using for that purpose the Performance Security Form included in Section VIII Contract forms. The Employer shall promptly notify the name of the winning Bidder to each unsuccessful Bidder and discharge the Bid Securities of the unsuccessful bidders pursuant to ITB Sub-Clause 20.4.
- 43.3 Failure of the successful Bidder to submit the above-mentioned Performance Security or sign the Contract shall constitute sufficient grounds for the annulment of the award and forfeiture of the Bid Security or execution of the Bid-Securing Declaration. In that event the Purchaser may award the Contract to the next lowest evaluated Bidder, whose offer is substantially responsive and is determined by the Purchaser to be qualified to perform the Contract satisfactorily.