



DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA  
MINISTRY OF PORTS & HIGHWAYS  
ROAD DEVELOPMENT AUTHORITY

CHINESE DEVELOPMENT BANK FUNDED  
IMPROVEMENT AND REHABILITATION OF PRIORITY ROAD PROJECT 1 (PRP1)

AGREEMENT FOR

CIVIL WORK CONTRACTS

CONTRACT NO. RDA/RNIP/PRP1/PACKAGE-A (C1A, C2A, C3, C6A & C8)

Component Ref. No.	Name of the Road
RDA/RNIP/PRP1/C1A	Improvement & Rehabilitation of B141 Beliatta - Tangalle Road (7.47 km) Improvement & Rehabilitation of Bopale Junction - Kiri Ibbanara - Udamauara Road (8.5 km) Construction of a flyover at Siribopura Junction
RDA/RNIP/PRP1/C2A	Improvement & Rehabilitation of B363 Pelawatta - Kankotiyawatta - Thiniyawala - Morawaka Road (47 km)
RDA/RNIP/PRP1/C3	Improvement & Rehabilitation of B421 Thiruwanaletiya - Agalawatta Road (33.45 km)
RDA/RNIP/PRP1/C6A	Improvement & Rehabilitation of A026 Kandy - Mahiyangana - Padiyathalawa Road (20.5 km)
RDA/RNIP/PRP1/C8	Improvement & Rehabilitation of B184 Kalkudah Road (5.63 km ) Improvement & Rehabilitation of B185 Kalkudah - Valachchenai Road (4.42 km)

BETWEEN

THE ROAD DEVELOPMENT AUTHORITY  
OF SRI LANKA

*Certified as  
True Copy.  
Pages 1 - 12*

AND

THE CHINA NATIONAL AERO TECHNOLOGY INTERNATIONAL  
ENGINEERING CORPORATION (CATIC-ENG) OF CHINA

W. T. I. N. TISSERA  
Project Director (CDB - PRP 3)  
Road Development Authority

VOLUME 1  
Contract Agreement  
Letter of Acceptance  
Letter of Tender  
Appendix to Tender

21 DECEMBER 2010

# CONTENTS OF CONTRACT DOCUMENTS

## VOLUME 1

- a) The Contract Agreement
- b) The Letter of Acceptance
- c) The Letter of Tender
- d) Appendix to Tender

## VOLUME 2

- e) The Particular Conditions
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- g) Technical Specification – Special Provisions and Appendix to Special Provisions
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## VOLUME 4

- i) The Drawings

## VOLUME 5

- j) The Preamble to the Bill of Quantities
- k) The Priced Bill of Quantities and Schedules

## Contract Agreement

THIS AGREEMENT made on the 10<sup>th</sup> January 2011, between the Road Development Authority, 1<sup>st</sup> Floor, Sethsiripaya, Battaramulla, Sri Lanka (hereinafter "the Employer") represented by the Director General, Road Development Authority, 1<sup>st</sup> Floor, Sethsiripaya, Battaramulla, Sri Lanka, of the one part, and China National Aero Technology International Engineering Corporation (CATIC-ENG), No.18, Beichen Dong Street, Chaoyan District, Beijing, China. (hereinafter "the Contractor"), of the other part:

WHEREAS the Employer desires that the Works known as Improvement & Rehabilitation of Contract No. RDA/RNIP/PRP1/PACKAGE-A (C1A, C2A, C3, C6A & C8)

Component Ref. Nos.	Description	Length (kms)
C1A	(i) Beliatta - Tangalle Road (ii) Bopale Junction - Kiri Ibbanara -Udamauara Road (iii) Construction of a flyover at Siribopura Junction	15.97
C2A	Pelawatta - Kankotiyawatta - Thiniyawala - Morawaka Road	47.00
C3	Thiruwanketiya - Agalawatta Road	33.45
C6A	Kandy - Mahiyangana - Padiyathalawa Road	20.50
C8	Kalkudah Road Kalkudah - Valachchenai Road	10.05

should be executed by the Contractor, and has accepted a Tender by the Contractor for the execution and completion of these Works and the remedying of any defects therein,

The Employer and the Contractor agree as follows:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Contract Documents referred to.
2. The following documents, listed in the order of priority, shall be deemed to form and be read and construed as part of this Agreement.
  - a) The Contract Agreement
  - b) The Letter of Acceptance
  - c) The Letter of Tender
  - d) Appendix to Tender
  - e) The Particular Conditions
  - f) The General Conditions of Contract
  - g) Technical Specification - Special Provisions and Appendix to Special Provisions
  - h) The Standard Specification
  - i) The Drawings

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- j) The Preamble to the Bill of Quantities
- k) The Priced Bill of Quantities and Schedules

3. In consideration of the payments to be made by the Employer to the Contractor as indicated in this Agreement, the Contractor hereby covenants with the Employer to execute the Works and to remedy defects therein in conformity in all respects with the provisions of the Contract.
4. The Employer hereby covenants to pay the Contractor in consideration of the execution and completion of the Works and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of Sri Lanka on the day, month and year indicated above.

Signed, Sealed and Delivered


by the said:

  
\_\_\_\_\_

NAME: Suro Stube

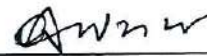
On behalf of Contractor

by the said

  
\_\_\_\_\_

NAME: R.W.R. Pemasiri

Chairman, Road Development Authority

  
\_\_\_\_\_

Board Member  
NAME: Road Development Authority

Board Member, Road Development Authority

On behalf of Employer

IN THE PRESENCE OF:

  
\_\_\_\_\_

NAME: Wu Limin

Address: Beijing, Beichen Dong Rd.  
China

IN THE PRESENCE OF:

  
\_\_\_\_\_

NAME: \_\_\_\_\_

Address: \_\_\_\_\_



මාර්ග සංවර්ධන අධිකාරිය  
வீதி அபிவிருத்தி அதிகாரசபை  
ROAD DEVELOPMENT AUTHORITY



මගේ අංකය } RDA/RNIP/PRP1/PKG-A/CONT  
எனது இல. }  
My No. }  
ඔබේ අංකය }  
உமது இல. }  
Your No. }  
දිනය } 06<sup>th</sup> January 2011.....  
திகதி }  
Date }

ASIAN DEVELOPMENT BANK FUNDED  
ROAD NETWORK IMPROVEMENT PROJECT

අංක: 74, කඩුවෙල පාර, බත්තරමුල්ල.  
இல. 74, கடுவெல வீதி, பத்தரமுல்லை.  
No. 74, Kaduwela Road, Battaramulla, Sri Lanka.

China National Aero Technology  
International Engineering Corporation  
No. 18, Beichen Dong Street,  
Chaoyan District, Beijing,  
China.

Dear Sirs,

**Contract Package No. RDA/RNIP/PRP1/Package A (C1A, C2A, C3, C6A & C8)**  
**Improvement & Rehabilitation of Components under Priority Roads Project-1**  
**Letter of Acceptance**

1. This is to notify that your Tender dated 3<sup>rd</sup> December 2010 for execution of the Improvement & Rehabilitation of the following components under the Priority Roads Project-1 as detailed below for the Accepted Contract Amount of SL Rupees 12,975,000,000.00 (SL Rupees Twelve Thousand Nine Hundred Seventy Five Million only) equivalent to US Dollars 116,592,532.69 (US Dollars One Hundred Sixteen Million Five Hundred Ninety Two Thousand Five Hundred Thirty Two & Cents Sixty Nine Only) is hereby accepted by the Road Development Authority. This Amount is exclusive of VAT.

<u>Component Reference No.</u>	<u>Description</u>	<u>Length (kms)</u>	<u>Amount (SLR)</u>
C1A	(i) Beliatta- Tangalle Road	15.97	1,350,000,000.00
	(ii) Bopale Junction- Kiri Ibbanara Udamauara Road		
	(iii) Construction of a Flyover at Siribopura Junction.	-	2,675,000,000.00
C2A	(i) Pelawatta- Kankotiyawatta- Thiniyawala- Morawaka Road	47.00	3,900,000,000.00
C3	Thiruwanaletiya- Agalawatta Road	33.45	2,800,000,000.00
C6A	Kandy- Mahiyangana- Padiyathalawa	20.00	1,550,000,000.00
C8	(i) Kalkudah Road	10.05	700,000,000.00
	(ii) Kalkudah- Valachchenai Road		

දුරකථන } 2871601, 2889361, 2863954  
தொலைபேசி } 2865058, 2889359, 2871671  
Telephone } 2872274, 2883069, 2889360

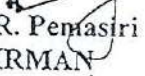
විමේල }  
மின்அஞ்சல் } adb34@slt.net.lk  
E-mail }

ෆැක්ස් } 2889361  
தொலைநகல் } 2872214  
Fax }

2. Pending the signing of a formal Contract Agreement, your offer referred to above together with this Letter of Acceptance shall form a binding contract between us.
3. You are requested to furnish the Performance Security within 28 days of the signing of the Loan Agreement between the Government of Sri Lanka (GOSL) and the Bank extending the Loan.
4. You are requested to submit a Power of Attorney effective till the expiry of the Defects Liability Period.
5. The component reference numbers allocated are as given above and shall be quoted in all future correspondence on this Contract.
6. RDA will be represented by the Director General, Road Development Authority in matters connected with the Contract. Your correspondence to the Employer should be addressed to Road Development Authority, 1<sup>st</sup> Floor, Sethsiripaya, Battaramulla, Sri Lanka.
7. The Engineer for the purpose of the contract will be notified in due course.

Please acknowledge the receipt of this letter and advise the date of receipt.

Yours faithfully,

  
R.W.R. Pemasiri  
CHAIRMAN  
Road Development Authority

c.c.

The Auditor General.  
Secretary, Ministry of Ports & Highways.  
Director General, RDA.  
Commissioner of Inland Revenue  
File – RDA/RNIP/PRP1/PKG-A/CONT

## LETTER OF TENDER

NAME OF CONTRACT : Rehabilitation & Improvement of the following components under Priority Roads Project-1

CONTRACT PACKAGE NO : RDA/RNIP/PRPI/Package A (C1A,C2A,C3,C6A & C8)  
(As detailed below)

<u>Component Reference No.</u>	<u>Description</u>	<u>Length (kms)</u>	<u>Amount (SLR)</u>
C1A	(i) Beliatta- Tangalle Road (ii) Bopale Junction- Kiri Ibbanara Udamauara Road (iii) Construction of a Flyover at Siribopura Junction.	15.97 -	1,350,000,000.00 2,675,000,000.00
C2A	(i) Pelawatta- Kankotiyawatta- Thiniyawala- Morawaka Road	47.00	3,900,000,000.00
C3	Thiruwanaletiya- Agalawatta Road	33.45	2,800,000,000.00
C6A	Kandy- Mahiyangana- Padiyathalawa	20.00	1,550,000,000.00
C8	(i) Kalkudah Road (ii) Kalkudah- Valachchenai Road	10.05	700,000,000.00

TO : Director General, Road Development Authority, 1<sup>st</sup> Floor,  
Sethsiripaya, Battaramulla, Sri Lanka.

We have examined the Conditions of Contract, Specification, Drawings, Bill of Quantities, the other Schedules and the attached Appendices for the execution of the above-named works. We offer to execute and complete the works and remedy any defects therein in conformity with this Tender which includes all these documents, for the sum of SL Rupees 12,975,000,000.00 (SL Rupees Twelve Thousand Nine Hundred Seventy Five Million) or such other sum as may be determined in accordance with the Conditions of Contract.

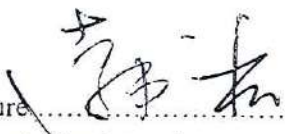
We acknowledge that the Appendices Form a part of this Letter of Tender.

If this offer is accepted, we will provide the specified Performance Security, commence the works as soon as is reasonably practicable after the Commencement Date, and complete the works in accordance with the above named documents within the Time for Completion.

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Unless and until a formal agreement is prepared and executed this letter of Tender, together with your written acceptance thereof, shall constitute a binding contract between us.

Signature  ..... In the capacity of Vice President  
duly authorized to sign tenders for and on behalf of China National Aero Technology International Engineering Corporation (CATIC-ENG).

Address: No. 18, Beichen Dong Street, Chaoyan District, Beijing, China.  
Sri Lankan Office : No. 6, Cambridge Place, Colombo.

Date: 3/12/2010 



APPENDIX TO TENDER

PRP1 / C2A

4  
✓ (8)

Normal working hours.....	6.5	7.00 a.m. to – 5.00 p.m.. Monday to Saturday
Delay damages for the Works.....	8.7 & 14.15(b)	Sri Lankan Rupees 1,950,000 per day
Maximum amount of delay damages	8.7	10 % of the Final Contract Price

*If there are Provisional Sums :*

Percentage for adjustment of Provisional Sums.....	13.5(b)	15 %
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*If Sub-Clause 13.8 applies :*

Adjustments for Changes in Cost Table(s) of adjustment data .....	13.8	for payments each Month/[ YEAR] in Rupee (currency)
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Source of Index (ICTAD Bulletin of Construction Statistics)

<u>Input ID</u>	<u>Input Name</u>	<u>Input PC</u>
M48	ABC Road Metal	16.5%
P02	Heavy Equipment	14.1%
M30C	Bitumen	13.9%
P01	Small Equipment	9.8%
P03	Fuel	9.2%
M07	Aggregate (Metal)	6.7%
L03	Unskilled Labour	4.6%
M13	Reinforcement Steel	4.3%
M8	Sand	3.6%
M04	Cement Weighted Average	2.4%
L02	Semiskilled Labour	1.6%
L01	Skilled Labour	1.3%
M43	Precast Items	1.1%
M06	Rubble	0.9%
	<b>Total</b>	<b>90.00%</b>

- The "Non adjustable elements" 13.8(c)(i)
- (i) All items of work listed in Bill No.01(A): Preliminary and General Items.
  - (ii) All work on Provisional Items or Sums.

\* These values and dates confirm the definition of each index, but do not define Base Data indices.

Total advance payment.....	14.2	30 % of the Accepted Contract Amount
Number and timing of installments..	14.2	3 installments as in Particular Conditions of Contract
Currencies and proportions.....	14.2	30 % in US\$ 70 % in SLR
Initials of Signatory of Tender		

## APPENDIX TO TENDER (PRP1/C2A)

<u>Item</u>	<u>Sub- Clause</u>	<u>Data</u>
Employer's name and address.....	1.1.2.2 & 1.3	Name : Road Development Authority Address : 1 <sup>st</sup> Floor, "Sethsiripaya", Battaramulla.
Contractor's name and address.....	1.1.2.3 & 1.3	China National Aero Technology International Engineering Corporation (CATIC - ENG) No 18, Beichen Dong Street Chaoyan District, Beijing, China
Engineer's name and address.....	1.1.2.4 & 1.3	To be notified in due course.
Time for Completion of the Works..	1.1.3.3	24 months
Defects Notification Period.....	1.1.3.7	365 days
Electronic transmission systems.....	1.3	Facsimile followed by confirmed delivery of the Original Copy of the Facsimile
Governing Law.....	1.4	The law in force is that of the Democratic Socialist Republic of Sri Lanka
Ruling Language.....	1.4	English
Language for communications.....	1.4	English
Time for access to the Site.....	2.1	07 days after the commencement date
Engineer's Duties and Authority....	3.1(b)(ii)	Variation resulting in an increase of the Accepted Contract Amount in excess of 0.1% and 2% as the aggregate of such variations shall require approval of the Employer.
Amount of Performance Security...	4.2	5% of the Accepted Contract Amount, in the currencies and proportions in which the Contract Price is payable.

The Performance Security shall be an on-demand unconditional Bank Guarantee in the form and from a bank acceptable to the Employer. If the Performance Security is issued by a foreign bank situated outside Sri Lanka, it shall be endorsed by a bank in Sri Lanka acceptable to the Employer to make it enforceable in Sri Lanka. This endorsement is unnecessary if the entity that issues the guarantee is an Export Credit Agency of any foreign government or a reputed International Financier acceptable to the Central Bank of Sri Lanka;

Initials of Signatory of Tender

Start repayment of advance payment... 14.2(a)	See Provision in Sub Clause 14.2 of Particular Conditions of Contract.
Repayment amortization of advance Payment..... 14.2(b)	See Provision in Sub Clause 14.2 of Particular Conditions of Contract.
Percentage of retention..... 14.3	10 %
Limit of Retention Money..... 14.3	5 % of the Accepted Contract Amount
<i>If Sub-Clause 14.5 applies :</i>	
Plant and Materials for payment When shipped en route to the Site..... 14.5(b)(i)	Not applicable
Plant & Materials for payment when 14.5(c)(i)	<ol style="list-style-type: none"> <li>1. Cement</li> <li>2. Bitumen</li> <li>3. Reinforcement Steel</li> <li>4. Structural Steel</li> <li>5. Processed Aggregates complying with the relevant specifications.</li> </ol>
Minimum amount of Interim Payment Certificates..... 14.6	1.5% of the Accepted Contract Amount

*If some payments are to be made in a currency/ currencies not named on the first page of the Letter of Tender:*

Currencies of payment..... 14.15

Currency Unit	Percentage payable in the Currency	Rate of exchange: number of Local per unit of Foreign
Local : Sri Lankan Rupees (SLR)	70	1.000
Foreign : US Dollars (US\$)	30	The rate of exchange shall be that stipulated for the applicable foreign currency by the Central Bank of Sri Lanka as at 03/12/2010

180 = 44  
112 = 13  
and 111 = 28  
This is used for as exchange rate at 03/12/10

Periods for submission of insurance :		
(a) evidence of insurance .....	18.1	within 28days after date of receiving the notice to commence
(b) relevant policies.....	18.1	within 28days after date of receiving the notice to commence
Initials of Signatory of Tender		

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Maximum amount of deductibles for Insurance of the Employer's risks....	18.2(d)	Sri Lanka Rupees 10 Million
Minimum amount of third party Insurance .....	18.3	Sri Lankan Rupees 10 Million
Date by which the DAB shall be Appointed.....	20.2	42 days after the Commencement Date
The DAB shall be .....	20.2	Three Members
Appointment (if not agreed) to be Made by .....	20.3	The President of the Institution of Engineers, Sri Lanka

Initials of Signatory of Tender

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