

**CLARIFICATION 02**

**“ENGINEERING, PROCUREMENT, CONSTRUCTION, COMMISSIONING (EPCC) OF KOLONNAWA TO HARBOUR PIPELINE PROJECT (KHPP) – KPR/13/2026**

Queries raised by email and the answers of the CPSTL are tabulated as follows.

No.	Queries/Clarifications	CPSTL Answer
1.	Request CPSTL to consider relaxing the above-mentioned financial requirement and amend the last year current assets/current liabilities as equivalent or lower than 1.25 and the last year debt to equity ratio to more than 90%.	Refer <b>Addendum No. 2</b> for revised eligibility criteria
2.	we also would like to highlight that this project requires a Performance Security for the value of 5% of the accepted contract value and Advance Payment Security of 20% of the accepted contract value with a liability of exposure of 110% of the accepted contract amount. Addition to this, we understand that all the payments will be paid as per the payment milestone outlined in the RFP document and in case of non-performance, the contractor will not be paid. So, we believe that the employer (CPSTL) is fully covered of all the contractual risks and nonperformance of the contractor.	Contractor’s responsibility
3.	1. Regarding the source of project funds specified in the bidding documents, we formally request official confirmation: Whether the project funds involve participation, investment or guarantee from multilateral banks and other financial institutions?	Refer ITB 2.1 CPSTL has secured project financing requirement from self-generated funds.
4.	2. If the Bidder does not meet the requirement listed in Attachment P1, P2 and P3, will it be deemed that the Bidder disqualified tender project and bid invalidation.	Shall comply to the evaluation and qualification criteria stipulated in the Procurement Document.
5.	Under Point No. 3 we understand the requirement for last year Debt/Equity Ratio should be less than 50% and the working capital should be more than USD 5 million. we kindly request CPSTL to consider the possibility of amending the above-mentioned financial requirement and decrease the minimum criteria of both last year debt to equity ratio and the working capital.	Refer <b>Addendum No. 2</b> for revised eligibility criteria
6.	As per the marking scheme mentioned under Point No.3 Evaluation Criteria of the Bids, we understand the requirement for the financial qualification criteria Last five years average annual turnover (A) (A): USD A > USD 43million or equal value in other currency Last year revenue (R) (R): USD R > USD 43million or equal value in other currency Last year Current Assets/ Current Liabilities (CA/CL) CA/CL ≥ 1.5 Last year Debt / Equity ratio (D/E) (D/E): D/E < 50% Working Capital (WC) (WC): USD WC > USD 5.0 million or equal value in other currency As per the above financial requirement, we believe that the above financial criteria are very restrictive and we will not be able to meet this requirement and as per understanding no EPC company can meet these financial criteria to participate for this tender due to the financial constraints faced by the EPC companies around the globe over the years. Therefore, we kindly request you to consider to reduce the above-mentioned financial qualification criteria.	Refer <b>Addendum No. 2</b> for revised eligibility criteria