

Formula used to calculate price Fluctuation

$$F = 0.966x \left( \frac{V-Vna}{100} \right) x \sum \text{all inputs } P_x \frac{(I_{xc}-I_{xb})}{I_{xb}}$$

$$V = (V_c+M_c) - (V_p+M_p)$$

$$V_{na} = (V_{nac} - V_{nap})$$

The following elements do not consider for the Price fluctuations.

- Preliminaries
- Demolishing works (Item 2.3)
- Provisional Sum Items (Item 2.2,2.7)
- Additional Work

- (48.1)** The retention from each payment shall be **10%** of the certified work done. The limit of retention shall be **5%** of the Initial Contract price.
- (49.1)** The liquidated damages for the whole of the works shall be **Rs.5000/-** per Day. The maximum amount of liquidated damage for the whole of the Works shall be **10%** of the Contract price.
- (51.1)** Contractor shall be paid an advance payment only on submission of an unconditional Bank Guarantee obtained from a reputed Bank registered in Central Bank of Sri Lanka. The value of the Bank guarantee shall be equivalent to the eligible amount calculated as per conditions of contract and it shall be valid till the end of intended completion date or an extension of intended completion date. Contractor shall extend the validity of the Bank guarantee for extension of intended completion date without any notification by the employer. Employer shall demand the advance payment guarantee for such failure of the contractor to extend its validity without any notification to the contractor.
- (52.1)** The performance security shall be **5%** or as per the Public Finance Circular 03/2020(i) v. of the Initial Contract Price. This security shall be unconditional on demand and f the Initial Contract Price. This security shall be unconditional on demand and valid till 28 days beyond the intended completion date or any extended intended completion date. Contractor shall extend the validity of performance security for any extension of intended completion date without any notification by the employer. Employer shall demand the performance security for such failure of the contractor to extend its validity without any notification to the contractor.
- (60.1)** The percentage to apply to the value of the work not completed, representing the Employer's additional cost for completing the Works, is **25%**

**Section - 6**

**SPECIFICATIONS**

**(General specifications have been mentioned in drawings  
and Bills of Quantities)**

• Section - 7

• **BILLS OF QUANTITIES**

- 1. Include Preliminary Bill items as Bill No. 1**
- 2. VAT Component shall be filled in Bills of Quantities and it shall not be carried to Form of Bid.**
- 3. Any discount offered will not be considered for Provisional Sum Items**