

**DESIGN, MANUFACTURE, SUPPLY,  
INSTALLATION, TESTING AND COMMISSIONING  
OF TELECOMMUNICATION SYSTEMS  
FOR  
AHMEDABAD METRO RAIL PROJECT PHASE – II**

**Tender Number: GMRC / S&T / TEL – 03  
Part 1: BIDDING PROCEDURES  
Section III: Qualification and Evaluation  
Criteria**

**ISSUED BY:**

**Gujarat Metro Rail Corporation Limited  
(A Joint Venture of Government of India and Government of  
Gujarat)**

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**Corporate Identification Number (CIN): U60200GJ2010SGC059407**

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## **Section III**

# **Qualification and Evaluation Criteria (without Pre-Qualification)**

This Section contains all the criteria that the Employer shall use to evaluate bids and qualify Bidders, in accordance with ITB 29, ITB 30, ITB 32, ITB 33, ITB 36 and ITB 42. The Bidder shall provide all the information requested in the forms included in Section IV, Bidding Forms.

### **1. Evaluation of Initial Filter cum Qualification Requirement (i. e. Envelope - 1)**

Completeness and responsiveness of the Initial Filter cum Qualification Requirement Bid will be assessed according to the Responsiveness Criteria of ITB 29. In addition to the criteria listed in ITB 11.1 (a), the following criteria shall apply in evaluation of IFCQR bid

1.1 **Qualification Criteria**

1. Eligibility and Qualification Criteria			Compliance Requirements			Documentation
Criterion	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
			All Parties Combined	Each Member	One Member	
<b>1.1 Nationality</b>	Nationality in accordance with ITB 4.4	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Forms ELI-1.1, ELI-1.2, ELI-1.3 and ELI-1.4 with attachments
<b>1.2 Conflict of Interest</b>	No conflicts of interest in accordance with ITB 4.3	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Letter of IFCQR Bid along with Appendix
<b>1.3 KFW Eligibility</b>	Not being ineligible to KFW financing, as described in ITB 4.4	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Statement of Integrity and Environment and Social Responsibility (Appendix to Letter of IFCQR Bid)
<b>1.4 State-Owned Entity</b>	Meet conditions of ITB 4.4	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Forms ELI-1.1, ELI-1.2, ELI-1.3 and ELI-1.4 with attachments

2. Historical Contract Non-Performance		Compliance Requirement			Documentation	
Criterion	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
			All Parties Combined	Each Member	One Member	
<b>2.1 History of Non-Performing Contracts</b>	Termination of a contract <sup>1</sup> did not occur as a result of Bidder's default in the past 05 (five) years.	Must meet requirement <sup>2</sup>	Must meet requirement	Must meet requirement <sup>2</sup>	N/A	Form CON-2
<b>2.2 Suspension Based on Execution of Bid Securing Declaration by the Employer</b>	Not under suspension based on execution of a Bid Securing Declaration pursuant to ITB 4.5.	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Letter of IFCQR Bid
<b>2.3 Pending Litigation</b>	All pending litigation shall in total not represent more than one hundred percent (100%) of the Bidder's net worth and shall be treated as resolved against the Bidder.	Must meet requirement	N/A	Must meet requirement	N/A	Form CON-2

<sup>1</sup> Non-performance shall include all terminations of contracts where  
 (a) non-performance was not challenged by the contractor, including through referral to the dispute resolution mechanism under the respective contract, and  
 (b) contracts that were so challenged but fully settled against the contractor.

Non-performance shall not include contracts where Employers decision was overruled by the dispute resolution mechanism. Non-performance must be based on all information on fully settled disputes or litigation, i. e. dispute or litigation that has been resolved in accordance with the dispute resolution mechanism under the respective contract and where all appeal instances available to the contractor have been exhausted.

<sup>2</sup> This requirement also applies to contracts executed by the Bidder as JV member.

3. Financial Situation and Performance		Compliance Requirement			Documentation	
Criterion	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
			All Parties Combined	Each Member	One Member	
<b>3.1 Financial Capabilities</b>	<p>(i) It is necessary that the firm can withstand the Cash Flow that the contract will require until payment received from the Employer. Liquidity therefore becomes an important consideration.</p> <p>(ii) The Bidder shall demonstrate that it has access to, or has available, liquid assets, unencumbered real assets, lines of credit, and other financial means (independent of any contractual advance payment) sufficient to meet the construction cash flow requirements estimated as INR 200 million for the subject contract(s) net of the Bidder's other commitments. This can be seen from the balance sheets and/or from the banking reference. Net current assets {(Current assets + loans &amp; advances) - (current liabilities + provision)} or documents including banking reference, should show that the Bidder has access to or has available liquid assets, lines of credit and other financial means to meet cash flow INR 200 million for this contract, net of Bidder's commitments for other Contracts. Banking reference should contain in clear terms that in case LOA is issued to the Bidder, the bank will be in a position to lend for this work to the Bidder/member of the</p>	Must meet requirement	Must meet requirement	N/A	N/A	Forms 3.1

3. Financial Situation and Performance		Compliance Requirement			Documentation	
Criterion	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
			All Parties Combined	Each Member	One Member	
	<p>Joint Venture/Consortium preferably in the form given in Section IV: Bidding Forms and Schedules - Bidder's Qualification- Form FIN-3. In case the Net Current Assets (as seen from the Balance Sheets) are negative, only the Banking references will be considered. Otherwise the aggregate of the Net Current Assets and submitted Banking references will be considered for working out the Liquidity.</p> <p>(iii) Liquidity of INR 200 million available: Pass</p> <p>(iv) Liquidity of INR 200 million not available: Fail</p> <p>In case of a Joint Venture/Consortium, the above evaluation will be done in totality after applying pro-rata percentage participation of each member and not as individual member. For Example: if there are three members in a Joint Venture/Consortium with pro-rata percentage participation of 'A%', 'B%' and 'C%' and the calculated liquidity of the respective members are 'X', 'Y' and 'Z', then the evaluation for the above criteria will be based on the pro-rata percentage applied algebraic aggregate i.e. 'AX+BY+CZ'.</p>					

3. Financial Situation and Performance		Compliance Requirement			Documentation	
Criterion	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
			All Parties Combined	Each Member	One Member	
	(v) The Bidder shall also demonstrate, to the satisfaction of the Employer, that it has adequate sources of finance to meet the cash flow requirements on works currently in progress and for future contract commitments.	Must meet requirement	Must meet requirement	N/A	N/A	Forms FIN-1& FIN-3.3 (a).
	(vi) The minimum requirements to 'Pass' this criteria is that the Balance sheets should indicate that the Net Worth of the Bidder (to be obtained from audited Balance Sheet) shall be positive in the audited statement of any 3 of the last 5 financial years. The financial year as applicable in the country of origin of the bidders would be considered. The 'last financial year' will be the latest financial year that ended on or before 31st December 2021.	Must meet requirement	N/A	Must meet requirement	Must meet requirement	Forms FIN-1, FIN-3.1 & 3.3 (b).

<p><b>3.2 Minimum Average Annual Turnover</b></p>	<p>(i) The minimum requirements to ‘Pass’ this criteria is that the Average Annual Construction Turnover for the last five financial years for the Telecommunication works only (in terms of rupee equivalent adjusted to last date of the financial year that ended on or before 31.12.2021 by assuming 5% escalation for Indian Rupee and 2% for foreign currency per year) shall not be less than INR 1190 million.</p> <p>(ii) The value of annual turnover shall be calculated as total certified payments received for Contracts in progress and/or completed, within last Five Financial years divided by Five years.</p> <p>(iii) The financial year as applicable in the country of origin of the bidders would be considered. The ‘last financial year’ will be the latest financial year that ended on or before 31.12.2021.</p> <p>In case of a Joint Venture/Consortium, the above evaluation will be done in totality after applying pro-rata percentage participation of each member and not as individual member. For example: if there are three members in a Joint Venture/Consortium with pro-rata percentage participation of ‘A%’, ‘B%’ and ‘C%’ and the Average Annual Turnover of the respective members are ‘X’, ‘Y’ and ‘Z’, then the evaluation for the above criteria will be based on the pro-rata percentage applied algebraic aggregate i.e. ‘AX+BY+CZ’.</p>	<p>Must meet requirement</p>	<p>Must meet requirement</p>	<p>Must meet 25% of the requirement</p>	<p>Must meet 40% of the requirement</p>	<p>Forms FIN 3.2 (a)</p>
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3. Financial Situation and Performance		Compliance Requirement			Documentation	
Criterion	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
			All Parties Combined	Each Member	One Member	
<b>3.3 Available Bid Capacity</b>	As per below mentioned methodology.	Must meet requirement	Must meet requirement	N/A	N/A	Form FIN-3.1, FIN 3.3 (a) & FIN 3.3 (b) with attachments

### Methodology for Working out the Available Bid Capacity

The Bidders will be qualified only if their available bid capacity is more than INR 1190 million. Available bid capacity will be calculated as under:

$$\text{Available Bid Capacity} = 2 * A * N - B$$

Where,

A = Maximum value of Construction Telecommunication works executed in any one year during the last five financial years only audited value as certified by Chartered Accountant and as contained in the corresponding Audited Annual account Statement/Book of accounts of the concerned financial year to be considered and will be updated to 31.12.2021 price level assuming 5% inflation for Indian Rupees every year and 2% for foreign currency portions per year.

N = No. of years in which supply and commissioning is to be made (N = 1.5 years in this case)

B = Value at price level as on the twenty-eight days prior to 'date for Bid submission' of on-going works (works in hand) to be completed during next "N" years starting from the twenty-eight days prior to 'date for Bid submission'.

Note:

In case of a Joint Venture/Consortium, the above formula will be applied to each member to the extent of his proposed percentage (%) participation in the execution of the work. The Bid Capacity of the Joint Venture/Consortium will be the sum total of the Bid Capacity of each member of the Joint Venture/Consortium as calculated above.

Value of 'A': The maximum value of Construction works in any one year during last five (5) years ('A' in the above formula) shall be the maximum turnover of construction works in any one (1) financial year during the last five (5) financial years. Financial year as applicable in the country of origin of the bidders would be considered. The turnover of construction works to be furnished in response to Section-IV: Qualification and Bidding Forms: Form FIN-2.1 shall be considered for evaluating the value 'A' in above formula and the details furnished by the Bidder shall be supported with audited copies, duly certified by Independent chartered accountant/CPA, indicating Annual turnover of construction works only.

Value of 'B': The value of ongoing works (works in hand) ('B' in the above formula) as furnished in response to Section-IV: Qualification and Bidding Forms: Form FIN-4.1 and FIN-4.2 shall be considered. The 'twenty-eight days prior to date for Bid submission' means for e.g: Say, if 'date for Bid submission' is 15.01.2020, then 'twenty-eight days prior to date for Bid submission' will be 18.12.2019 and next 1.5 years period will be period up to 16.06.2021.

4. Experience		Compliance Requirement			Documentation	
Criterion	Requirements	Single Entity	Joint Venture (existing or intended)			Submission Requirements
			All Parties Combined	Each Member	One Member	
<b>4.1 General Construction Experience</b>	<p>Experience under construction contracts in the role of prime contractor (single entity or JV/consortium member), subcontractor, or management contractor<sup>7</sup> for at least last 10 years, ending last day of the month previous to the month of Bid submission..</p> <p>For foreign companies, this General Experience shall be outside the home country of origin of the foreign company for at least last 10 years, ending last day of the month previous to the month of Bid submission</p>	Must meet requirement	N/A	Must meet requirement	N/A	Form EXP-4.1
<b>4.2 (a) Specific Construction &amp; Contract Management Experience</b>	(i) A minimum number of 01 (One) similar <sup>3</sup> contract of the work of “Design, Manufacture, Supply, Installation, Testing and Commissioning of Telecommunication systems” for Metro Rail Projects/Mono Rail Projects/LRT System/High Speed Rail System/Airports/Large Telecom Infrastructure Projects costing minimum INR 950 million at price level of ending last day of the	Must meet requirement	Must meet requirement <sup>6</sup>	N/A	N/A	Form EXP-4.2 (a)

4. Experience		Compliance Requirement			Documentation	
Criterion	Requirements	Single Entity	Joint Venture (existing or intended)			Submission Requirements
			All Parties Combined	Each Member	One Member	
	<p>month previous to the month of Bid submission, that have been satisfactorily and substantially<sup>4</sup> completed as a prime contractor (single entity or JV member<sup>5</sup>) or management contractor<sup>7</sup> or subcontractor<sup>5</sup> for the last ten years, ending last day of the month previous to the month of Bid submission.</p> <p><b>OR</b></p> <p>A minimum number of 02 (Two) similar<sup>3</sup> contract of the work of “Design, Manufacture, Supply, Installation, Testing and Commissioning of Telecommunication systems” for Metro Rail Projects/Mono Rail Projects/LRT System/High Speed Rail System/Airports/Large Telecom Infrastructure Projects each costing minimum INR 590 million at price level of ending last day of the month previous to the month of Bid submission., that have been satisfactorily and substantially<sup>4</sup> completed as a prime contractor (single entity or JV member<sup>5</sup>) or management contractor<sup>7</sup> or subcontractor<sup>5</sup> for the last ten years, ending last day of the month previous to the month of Bid submission.</p> <p><b>OR</b></p>					

4. Experience		Compliance Requirement			Documentation	
Criterion	Requirements	Single Entity	Joint Venture (existing or intended)			Submission Requirements
			All Parties Combined	Each Member	One Member	
	<p>A minimum number of 03 (Three) similar<sup>3</sup> contract of the work of “Design, Manufacture, Supply, Installation, Testing and Commissioning of Telecommunication systems” for Metro Rail Projects/Mono Rail Projects/LRT System/High Speed Rail System/Airports/ Large Telecom Infrastructure Projects each costing minimum INR 480 Million at price level of ending last day of the month previous to the month of Bid submission, that have been satisfactorily and substantially<sup>4</sup> completed as a prime contractor (single entity or JV member<sup>5</sup>) or management contractor<sup>7</sup> or subcontractor<sup>5</sup> for the last ten years ending last day of the month previous to the month of Bid submission.</p> <p>NOTE: For foreign companies for all the above cases, a minimum 01 (One) similar<sup>3</sup> work of INR 480 Million at price level of ending last day of the month previous to the month of Bid submission, that have been satisfactorily and substantially<sup>4</sup> completed as a prime contractor (single entity or JV member<sup>5</sup>) or management contractor<sup>7</sup> or subcontractor<sup>5</sup> for the last ten years, ending last day of the month previous to the month of Bid submission must be out of the country of origin of foreign Company.</p>					

4. Experience		Compliance Requirement			Documentation	
Criterion	Requirements	Single Entity	Joint Venture (existing or intended)			Submission Requirements
			All Parties Combined	Each Member	One Member	
4.2 (b) Specific Construction Experience	<p>For the above or any other contracts completed and/or under implementation as prime contractor (single entity or JV member<sup>5</sup>) or management contractor<sup>7</sup> or subcontractor<sup>5</sup> for the last ten years, ending last day of the month previous to the month of Bid submission., a minimum construction experience in the following key activities must be satisfactorily and substantially<sup>4</sup> completed:</p> <p><b>I.</b> Integration of major Telecommunication subsystems including Hardware and Software of PAS, PIDS, FOTS, CCTV, Telephone and TETRA Radio in at least one Metro Rail Projects/Mono Rail Projects /LRT System/High Speed Rail System/Airports/ Large Telecom Infrastructure Projects.</p> <p><b>II.</b> Integration of Telecommunication systems with all other Systems including Hardware and Software (Signalling, Rolling Stock, E&amp;M) in at least one Metro Rail Projects/Mono Rail Projects /LRT System/High Speed Rail System/Airports/ Large Telecom Infrastructure Projects.</p> <p><b>III.</b> Design, Manufacture/Supply, Installation, Testing and Commissioning of multisite TETRA Radio System.</p>	Must meet requirement	Must meet requirement	N/A	N/A	Form EXP-4.2 (b)

4. Experience		Compliance Requirement			Documentation	
Criterion	Requirements	Single Entity	Joint Venture (existing or intended)			Submission Requirements
			All Parties Combined	Each Member	One Member	
	<p>NOTE:</p> <p>For foreign companies for all the above cases, at least one similar<sup>3</sup> work working satisfactorily and substantially<sup>4</sup> completed for the last ten years, ending last day of the month previous to the month of Bid submission must be out of the country of origin of foreign Company.</p>					

- <sup>3</sup> The similarity for Telecommunication works shall be based on the physical size, complexity and technicity of the works of “Design, Manufacture, Supply, Installation, Testing and Commissioning of Telecommunication related works”. Only telecom portion of the composite works shall be considered for evaluation purposes. Adding up small value contracts (less than the value specified under requirement) to meet the overall requirement will not be accepted.
- <sup>4</sup> Substantial completion shall be based on 80% or more works having been completed and successful acceptance tests carried out under the contract.
- <sup>5</sup> For contracts under which the Bidder participated as a joint venture member or subcontractor, only the Bidder’s share, by value, shall be considered to meet this requirement.
- <sup>6</sup> In the case of a JV, the value of contracts completed by its members shall not be aggregated to determine whether the requirement of the minimum value of a single contract has been met. For instance, if the criterion mentions "two (2) contracts with a minimum value of 50M\$ each", a JV composed of 3 members and having carried out four (4) contracts of 30M\$ each shall not be qualified. On the other hand, if 2 of the 3 members of the JV each carried out one (1) contract of 50M\$, the criterion is met, even if the third member does not have any contract of this value.
- <sup>7</sup> A Management Contractor is a firm which takes on the role of contract management as a “general” contractor of sort could do. It does not normally perform directly the work(s) associated with the Contract. Rather, it manages the work of other (sub) contractors while bearing full responsibility and risk for price, quality, and timely performance of the contract.

Criteria			Requirements				Documentation Requirements / Forms
No.	Subject	Requirement	Single Entity	Joint Venture (existing or intended)			
				All Parties Combined	Each Member	One Member	
5. Environmental and Social and Health and Safety (ESHS) Experience and Capacity							
5.1	Certificates	<p>Availability of a valid ISO certification as below or internationally recognized equivalent (equivalence to be demonstrated by the Applicant)</p> <ul style="list-style-type: none"> <li>• Quality Management certificate ISO 9001</li> <li>• Environmental management certificate ISO 14001:2014</li> <li>• Health and Safety certificate OHSAS 18001 or ISO 54001</li> </ul> <p>Certificates should demonstrate the Bidder's respective management competence to cover all activities and work sites relevant to the contract, in particular, on-site activities/works incl. testing and commissioning.</p>	Must meet requirement	N/A	Must meet requirement	Must meet requirement	Form CER-5.1
5.2	Experience in Projects with significant ESHS Impacts and Risks	<p>For the above and any other contracts completed and under implementation as prime contractor, joint venture member, management contractor or subcontractor<sup>1</sup> on or after the first day of the calendar year during the period stipulated in 4.2(a) above, a minimum specific experience relating to the following ESHS requirements<sup>8</sup>: list key ESHS requirements individually with a focus on ESHS</p>	Must meet requirement	Must meet requirement	N/A	Must have executed at least 1 contract(s) demonstrating experience with the key ESHS	Form EXP-5.2



		aspects which are relevant to the implementation of the contract, on-site Works/activities, testing and commissioning.				requirements as listed in the Requirement column.	
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8 Volume, number or rate of production of any key activity can be demonstrated in one or more contracts combined if executed during same time period. The rate of production shall be the annual production rate for the key construction activity (or activities).

Criteria			Requirements				Documentation Requirements / Forms
No.	Subject	Requirement	Single Entity	Joint Venture (existing or intended)			
				All Parties Combined	Each Member	One Member	
5.3	Environmental Capacity	The Bidder must demonstrate that its business setup and operations meet the minimum requirements towards an effective environmental management system:	Must meet requirement	Must meet requirement	N/A	N/A	Form ENV-5.3
5.4	Occupational Health and Safety Capacity	The Bidder must demonstrate that its business setup and operations meet the minimum requirements towards an effective health and safety management system	Must meet requirement	Must meet requirement	N/A	N/A	Form OHSAS-5.4
5.5	Socially Responsible Work Implementation	The Bidder must demonstrate a comprehensive understanding of the requirements regarding socially responsible implementation of activities and works at project site.	Must meet requirement	Must meet requirement	N/A	N/A	Form LOC-5.5
5.6 (a)	ILO Core Labor	Undertaking to fully respect the ILO Core Labor Standards in the Bidder's business practice	Must meet requirement	N/A	Must meet requirement	N/A	Letter of IFCQR Bid and Form

	Standards						COC-5.6
5.6 (b)	Ethical Business Principles	The Bidder must demonstrate that its business setup and operations meet the minimum requirements towards ethical business principles.	Must meet requirement	Must meet requirement	N/A	N/A	Form COC-5.6
5.7	ESHS and Construction Personnel	The Bidder must demonstrate that it has access to adequate candidates for the ESHS personnel profiles, listed in Section VII, Employer's Requirements. The candidates must fulfil the minimum specific profile requirements and the general requirements (if any). Combining several candidates to fulfill one candidate profile is not allowed. Providing multiple candidates for a single profile is allowed.	Must meet requirement	Must meet requirement	N/A	N/A	Form PER-5.7

**6. Evaluation of Technical Bid (i.e. Envelope - 2) :**

Completeness and responsiveness of the Technical Bid will be assessed according to the Responsiveness Criteria of ITB 32. In addition to the criteria listed in ITB 11.1 (b), the following criteria shall also apply in evaluation of technical bid:

**6.1. Subcontractor and Manufacturer (OEM):**

Subcontractors and Manufacturer (OEM) for the following major items of supply or services must meet the following minimum criteria, herein listed for that item:

Item No.	Details of Item	Experience Criteria
1	Subcontractor criteria for services of Public Addressing System (PAS), Passenger Information Display System (PIDS), Master Clock System (MCS), Centralized Digital Recording System (CDRS), TETRA Radio, VoIP Telephone, CCTV, Fiber Optics Telecommunication System (FOTS), Access Control System (ACS) and Cyber Security System.	A minimum number of 01 (One) contract of similar <sup>3</sup> kind of services to be proposed for Metro Rail Projects/Mono Rail Projects /LRT System/High Speed Rail System (having at least 8 Stations) /Airports/ Large Telecom Infrastructure Projects complying to the requirement as defined in Particular Specification of Employer’s Requirement, that have been satisfactorily and substantially <sup>4</sup> completed between the last ten years, ending last day of the month previous to the month of Bid submission.Proveness certificate of working satisfactorily, in a Metro Rail Projects/Mono Rail Projects /LRT System/High Speed Rail System/Airports/ Large Telecom Infrastructure Projects, is required.
2	Manufacturer (OEM) criteria for supply of Public Addressing System (PAS), Passenger Information Display System (PIDS), Master Clock System (MCS), Centralized Digital Recording System (CDRS), TETRA Radio, VoIP Telephone, CCTV, Fiber Optics Telecommunication System (FOTS), Access Control System (ACS) and Cyber Security System.	A minimum number of 01 (One) contract of similar <sup>3</sup> kind of equipment or system to be proposed for Metro Rail Projects/Mono Rail Projects /LRT System/High Speed Rail System (having at least 8 Stations) /Airports/ Large Telecom Infrastructure Projects complying to the requirement as defined in Particular Specification of Employer’s Requirement, that have been satisfactorily and substantially <sup>4</sup> completed between the last ten years, ending last day of the month previous to the month of Bid submission.Proveness certificate of working satisfactorily, in a Metro Rail Projects/Mono Rail Projects /LRT System/High Speed Rail system/Airports/ Large Telecom Infrastructure Projects, is required.

Note: Failure to comply with this requirement will result in rejection of the Subcontractor and Manufacturer (OEM).

**7. Evaluation of Financial Bid (i.e. Envelope - 3) :**

Completeness and responsiveness of the Financial Bid will be assessed according to the Responsiveness Criteria of ITB 42 including the criteria listed in ITB 11.1 (c) for evaluation of financial bid along with domestic preference as below.

**7.1 Domestic Preference:**

A margin of preference shall be granted to the Bidders, in accordance with, and subject to, the following provisions:

- a) A margin of preference shall be granted to the bidders during financial evaluation as per following:

S. N.	% of local content offered by bidder in FB-14	Applicable Domestic Preference (Margin of preference)
1	60% to 100%	7.5%
2	< 60%	Below 7.5% and will be calculated according to the offered percentage of local content as follow: % of local content as offered by bidder * 7.5% (for e.g.:- if bidder offered 40% local content, Margin of preference shall be calculated as under: =0.40* 7.5%= 3% Price Preference).

- b) The bidder shall declare the amount of percentage (%) local content (for Engineering, design, supply, Erection, testing & commissioning as admissible) offered for the bid in the form Appendix FB-14 during the Price bid submission stage. In case employer request, the bidder has to submit the detailed breakdown of percentage (%) offered in local content.

Bidder shall note that certificate from statutory auditor or cost auditor of the company (in the case of companies) or from practicing cost accountant or practicing chartered accountant (in respect of suppliers other than companies) giving the percentage of local content (as offered Appendix FB-14) shall be submitted by bidder along with the bid submission.

- c) Local content shall mean the amount of value added in India, which shall be the total value of contract (excluding net domestic Indirect Taxes) minus the value of imported content in the contract (including all custom duties) as a proportion of total value, in percent.

Bidder shall note in their bid that, the component of the cost of such items of local value addition shall be quoted only in INR.

- d) After bids have been received and reviewed by the employer, responsive bids shall be classified into the following groups:

**Group A:-** Bids offering the local content from 60% to 100%.

**Group B:-** Bids offering the local content < 60%.

- e) The comparison and evaluation methodology for price bid is as under:

- I. All evaluated Bids in each group shall, as a first evaluation step, be compared to determine the lowest Bid, and the lowest evaluated Bids in each group shall be further compared with each other.
- II. If, as a result of this comparison, a Bid from Group A is the lowest, it shall be selected for the award.
- III. If a Bid from Group B is the lowest, as a second evaluation step, all Bids from Group B shall then be further compared with the lowest evaluated Bid from Group A. For the purpose of this further comparison only, an amount of margin of preference as specified in table mentioned in above clause no. 7.1 (a) of the respective Bid price corrected for arithmetical errors, including unconditional discounts but excluding Provisional Sums shall be added to the evaluated bid price offered in each Bid from Group B. If the Bid from Group A is the lowest, it shall be selected for award with the total evaluated bid price as per clause no. 7.1 (e) (I). If not, the lowest evaluated Bid from Group B shall be selected for award with the total evaluated bid price as per clause no. 7.1 (e) (I).

**Example:**

The following examples shows the evaluation & comparison methodology for illustration purpose only:

**Case-1:- When lowest bid is from Group-A Bidder.**

Bidder	Bidder A (Group-A)	Bidder B (Group-B)	Bidder C (Group-B)
Total evaluated bid price (in Rs.)	100	102	103

After comparison of total evaluated bid price, a Bid from Group A is the lowest. Hence, it shall be selected for the award with total evaluated bid price of **Rs. 100**.

**Case-2:- When lowest bid is from Group-B Bidder.**

**A:-**

Bidder	Bidder A (Group-A)	Bidder B (Group-B)	Bidder C (Group-B)
Total evaluated bid price (in Rs.)	102	98	99
% Local content offered by bidder (FB-14)	60% (Group A)	40% (Group B)	0% (Group B)
Applicable Domestic Preference (Margin of preference)	7.5%	3% (=0.40* 7.5%)	0%
Total bid price (in Rs.) for the purpose of comparison only	102	102.41 (=98 + 98*(7.5-3) %)	106.425 (=99 + 99*(7.5-0) %)

After comparison of total evaluated bid price, a Bid from Group B is the lowest. For the purpose of comparison only, an amount of margin of preference as specified in table mentioned in above clause no. 7.1 (a) of the respective Bid price corrected for arithmetical errors, including unconditional discounts but excluding Provisional Sums has been added to the evaluated price offered in each Bid. After this comparison the total bid price of Bidder-A (Group A) is lowest. Hence, Bidder-A shall be selected for the award with total evaluated bid price of **Rs. 102**.

**B:-**

Bidder	Bidder A (Group-A)	Bidder B (Group-B)	Bidder C (Group-B)
Total evaluated bid price (in Rs.)	102	95	99
% Local content offered by bidder (FB-14)	60% (Group A)	40% (Group B)	0% (Group B)
Applicable Domestic Preference (Margin of preference)	7.5%	3% (=0.40* 7.5%)	0%
Total bid price (in Rs.) for the purpose of comparison only	102	99.275 (=95 + 95*(7.5-3) %)	106.425 (=99 + 99*(7.5-0) %)

After comparison of total evaluated bid price, a Bid from Group B is the lowest. For the purpose of comparison only, an amount of margin of preference as specified in table mentioned in above clause no. 7.1 (a) of the respective Bid price corrected for arithmetical errors, including unconditional discounts but excluding Provisional Sums has been added to the evaluated price offered in each Bid. After this comparison, the total bid price of Bidder-B (Group B) is lowest. Hence, Bidder-B shall be selected for the award with total evaluated bid price of **Rs. 95**.

**END OF SECTION-III**  
**QUALIFICATION AND EVALUATION CRITERIA (EQC)**