

Annexure 'A' to Section III (Evaluation and Qualification criteria)

INITIAL FILTER

1. - **Financial Standing:** The tenderers will be qualified only if they have minimum financial capabilities as below:

(i) **T1 - Liquidity**

- (a) It is necessary that the firm can withstand cash flow that the contract will require until payments received from the Employer. Liquidity therefore becomes an important consideration.
- (b) This shall be seen from the balance sheets and/or from the banking reference. Net current assets and/or documents including banking reference, should show that the applicant has access to or has available liquid assets, lines of credit and other financial means to meet cash flow of **INR 3.94 Crores** for this contract, net of applicant's commitments for other Contracts. Banking reference should contain in clear terms the amount that bank will be in a position to lend for this work to the applicant/member of the Joint Venture/Consortium. 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.
- (c) Banking reference(s) should contain in clear terms the amount that the Bank will be in a position to lend for this work to the applicant/member of the Joint Venture/Consortium. In case the Net Working Capital (as seen from the Balance Sheet) is negative, only the Banking reference(s) will be considered, otherwise the aggregate of the Net Working Capital and submitted Banking reference(s) will be considered for working out the Liquidity.
- (d) The banking reference should be from a Scheduled Bank in India or (in case of foreign parties) from an international bank of repute acceptable to DMRC as per standard performa provided in Form No. 11 to Section IV (Bidding Forms) and it should not be more than 3 months old as on date of submission of bids.
- (e) In Case of JV: - Requirement of working capital is to be distributed between members as per their percentage participation and every member should satisfy the requirement for his portion.

Example: Let member-1 has percentage participation= M and member-2 has percentage participation= N . If minimum working capital required is ' W ' then working capital of member-1 $\geq \frac{W}{M}$ and working capital of member-2

$$\geq \frac{W.N.}{100} \quad 100$$

(f) In case the applicant is a Joint Venture/Consortium and if Banking Reference is issued by the bank in favour of the Joint Venture/Consortium for this contract, then it will be considered for the tenderer and if the Banking reference(s) is issued in favour of any member of JV/Consortium it will be considered only for that member.

(ii) **T2 - Profitability:** Profit before Tax should be Positive in at least 2 (two) year, out of the last five audited financial years

In Case of JV - The profitability of only lead member shall be evaluated.

(iii) **T3 - Net Worth:** Net Worth of tenderer during last audited financial year should be > **Rs. 5.51 Crores.**

In Case of JV- Net worth will be based on the percentage participation of each Member.

Example: Let Member-1 has percentage participation = M and Member - 2 has =N. Let the Net worth of Member-1 is 'A' and that of Member-2 is 'B', then the Net worth of JV/JVA/Consortium will be

$$\frac{=AM+BN}{100}$$

(iv) **T4 - Annual Turnover:** The average annual turnover from supply of last five financial years should be \geq **Rs. 22.06 Crores.**

The average annual turnover of JV will be based on percentage participation of each member

Example: Let Member-1 has percentage participation = M and Member - 2 has =N. Let the average annual turnover of Member-1 is 'A' and that of Member-2 is 'B', then the average annual turnover of JV will be

$$\frac{=AM+BN}{100}$$

Notes:

- Financial data for latest last five audited financial years has to be submitted by the tenderer in **Annexure-B** along with audited balance sheets. The financial data in the prescribed format shall be certified by Chartered Accountant with his stamp and signature. In case audited balance sheet of the last financial year is not made available by the bidder, he has to submit an affidavit certifying that 'the balance sheet has actually not been audited

so far'. In such a case the financial data of previous '4' audited financial years will be taken into consideration for evaluation. If audited balance sheet of any other year than the last year is not submitted, the tender will be considered as non-responsive.

- Where a work is undertaken by a group, only that portion of the contract which is undertaken by the concerned applicant/member should be indicated and the remaining done by the other members of the group be excluded. This is to be substantiated with documentary evidence.

2. Bid Capacity Criteria:

Bid Capacity: The tenderers will be qualified only if their available bid capacity is more than the approximate cost of work as per NIT. Available bid capacity will be calculated based on the following formula:

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

Where,

A = Maximum of the value of supplies executed in any one year during the last five financial years (updated to **31.01.2016** price level assuming 5% inflation for Indian Rupees every year and 2% for foreign currency portions per year).

N = No. of years prescribed for completion of the work

B = Value of existing commitments (**as on 31.01.2016**) for on-going construction works during period of **08 months w.e.f. 01.02.2016**.

Notes:

- Financial data for latest last five financial years has to be submitted by the tenderer in **Annexure-C** along with audited financial statements. The financial data in the prescribed format shall be certified by the Chartered Accountant with his stamp and signature in original.
- Value of existing commitments for on-going construction works during period of **08 months w.e.f. 01.02.2016** has to be submitted by the tenderer in **Annexure-D**. These data shall be certified by the Chartered Accountant with his stamp and signature.
- In the case of a group, the above formula will be applied to each member to the extent of his proposed participation in the execution of the work. If the

proposed %is not provided, equal participation will be assumed.

The tender submission of tenderers, who do not qualify the minimum eligibility criteria & bid capacity criteria stipulated in the above clauses, shall not be considered for further evaluation and therefore rejected. The mere fact that the tenderer is qualified as mentioned in clauses above shall not imply that his bid shall automatically be accepted. The same should contain all technical data as required for consideration of tender prescribed in the ITT.

ANNEXURE- B**Financial DATA****Applicant's legal name****Date****Group Member's legal name..... Page of Pages**

Each Applicant or member of a JV must fill in this form

S. No.	Description	Financial Data for Latest Last 5 Years (Indian Rupees)				
		Year 2010-11	Year 2011-12	Year 2012-13	Year 2013-14	Year 2014-15
1.	Total Assets					
2.	Current Assets					
3.	Total External Liabilities					
4.	Current Liabilities					
5.	Annual Profits Before Taxes					
6.	Annual Profits After Taxes					
7.	Net Worth [= 1 - 3]					
8.	Working Capital [=2 - 4]					
9.	Return on Equity					
10	Annual turnover (from construction)					
11	Gross Annual turnover					

Attach copies of the audited balance sheets, including all related notes, income statements for the last five audited financial years, as indicated above, complying with the following conditions.

1. Separate Performa shall be used for each member in case of JV/Consortium.
2. All such documents reflect the financial data of the Applicant or member in case of JV, and not sister or Parent Company.
3. Historic financial statements shall be audited by Statutory Auditor of the Company under their seal & stamp and shall be strictly based on Audited Annual Financial results of the relevant period(s). No statements for partial periods will be accepted.
4. Historic financial statements must be complete, including all notes to the financial statements.
5. Foreign applicants, in whose country calendar year is also the financial year, may submit all relevant data for the last 5 years i.e. 2010, 2011, 2012, 2013 and 2014.
6. Return on Equity = Net Income / Shareholders Equity
Return on Equity = Net Income is for the full fiscal year (before dividends paid to common stock holders but after dividends to preferred stock).
Shareholders equity does not include preferred shares.
7. The above Annexure shall be duly certified by Chartered Accountant / Company Auditor under his signature & stamp.

ANNEXURE- C**FINANCIAL DATA****(MANUFACTURE AND SUPPLIES WORK DONE DURING THE LATEST LAST FIVE FINANCIAL YEARS)**

NAME OF THE TENDERER (CONSTITUENT MEMBER IN CASE OF JV/CONSORTIUM) :

(All amounts in Rupees in Crores)

S. No.	DESCRIPTION	Financial Data for Last 5 Audited Financial Years				
		Year 2010-2011	Year 2011-2012	Year 2012-2013	Year 2013-2014	Year 2014-2015
1	2	3	4	5	6	7
	Total value of <i>Supply of Rails</i> done as per audited financial statements					

NOTE:

1. Separate Performa shall be used for each member in case of JV/Consortium.
2. Attach attested copies of the Audited Financial Statements of the last five financial years as Annexure.
3. All such documents reflect the financial data of the tenderer or member in case of JV/Consortium, and not that of sister or parent company.
4. The financial data in above prescribed format shall be certified by Chartered Accountant / Company Auditor under his signature & stamp.
5. The above financial data will be updated to **31.01.2016** price level assuming 5% inflation for Indian Rupees every year and 2% for foreign currency portions per year. The exchange rate of foreign currency shall be applicable 28 days before the submission date of tender.

ANNEXURE- D

ANNEXURE D: Works in hand

As on first day of the month of tender submission

Applicant's legal name

Date.....

Group Member's legal name.....

Page of pages

Value of Works to be done in next 08 months (i.e., from 01st February, 2016 to 30th Sep, 2016)

[in INR)

This sheet should be certified by Company Auditor/ Chartered Accountant along with his signature and seal.