



Section III: Evaluation and Qualification Criteria

This Section contains all the criteria that the Employer shall use to evaluate bids and qualify Bidders by post-qualification exercise. GoN/DP requires bidders to be qualified by meeting predefined, precise minimum requirements. The method sets pass-fail criteria, which, if not met by the bidder, results in disqualification. In accordance with ITB 32 and ITB 35, no other methods, criteria and factors shall be used. The Bidder shall provide all the information requested in the forms included in Section IV (Bidding Forms).

1. Evaluation

In addition to the criteria listed in ITB 35.2 (a) - (e) the following criteria shall apply:

Note:

Use the evaluation criteria listed below as appropriate and required for the project.

1.1 Adequacy of Technical Proposal

Evaluation of the Bidder's Technical Proposal will include an assessment of the Bidder's technical capacity, to mobilize key equipment and personnel for the contract consistent with its proposal regarding work methods, scheduling, and material sourcing in sufficient detail and fully in accordance with the requirements stipulated in Section VI (Works Requirements).

Non-compliance with equipment and personnel requirements described in Section VI (Works Requirements) shall not be grounds for bid rejection and such non-compliance will be subject to clarification and rectification prior to contract award.

1.2 Multiple Contracts

Multiple Contracts, if permitted under ITB 35.4, will be evaluated as follows: Not Applicable

Award Criteria for Multiple Contracts [ITB 35.4]:

Bidders have the option to Bid for any one or more Contracts. Bids will be evaluated taking into account discounts offered, if any, for combined contracts. The contract(s) will be awarded to the Bidder or Bidders offering the lowest evaluated cost to the Employer for combined contracts, subject to the selected Bidder(s) meeting the required qualification criteria for combination of multiple contracts as the case may be.

Qualification Criteria for Multiple Contracts:

The criteria for qualification shall be the sum of the minimum requirements for respective individual contracts as specified under items 2.3.2, 2.3.3, 2.3.4 and 2.4.2 b.


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With respect to the **Contracts of Similar Size and Nature** under item 2.4.2(a) of Section III, the evaluation shall be done as below:

N is the minimum number of contracts required as per Specific Construction Experience (2.4.2(a)).

V is the minimum value of a single contract as per Note (2), ~~or~~ (3) of 2.4.2 Specific Construction Experience.

- i. Minimum requirements for combined contract(s) shall be the aggregate requirements for each contract for which the bidder has submitted bids as follows, and N1, N2, N3, etc. shall be different contracts:

Contract 1: N1 contracts, each of minimum value V1;

Contract 2: N2 contracts, each of minimum value V2;

Contract 3: N3 contracts, each of minimum value V3;

---etc.

Or

- ii. Total number of contracts is equal or less than $N1 + N2 + N3$ --but the total value of all such contracts is equal or more than $N1 \times V1 + N2 \times V2 + N3 \times V3$ +---

1.3 In Case, other than Multiple Contracts

Bidders have the option to Bid for any one or more Contracts. The contracts will be awarded to the Bidder or Bidders offering the **substantially responsive Bid closest to the Average Bid Price** to the Employer, subject to the selected Bidder(s) meeting the required qualification which shall be the sum of the minimum requirements for respective individual contracts. Under this case, the Contract shall be awarded based on Least Cost Combination to the Employer.

1.4 Completion Time

An alternative Completion Time, if permitted under ITB 13.2, will be evaluated as follows:

Not Applicable.

1.5 Alternative Technical Solutions

Alternative technical solutions, if permitted under ITB 13.4, will be evaluated as follows:

Not Applicable.

1.6 Quantifiable Nonconformities and Omissions

Subject to ITB 14.2 and ITB 35.2, the evaluated cost of quantifiable nonconformities including omissions, is determined as follows:


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“Pursuant to ITB 31.3, the cost of all quantifiable nonmaterial nonconformities shall be evaluated, but excluding omission of prices in the BoQ. The Employer will make its own assessment of the cost of any nonmaterial nonconformities and omissions for the purpose of ensuring fair comparison of bids.”]

2. Qualification

2.1 Eligibility

Criteria	Compliance Requirements				Documents
Requirement	Single Entity	Joint Venture			Submission Requirements
		All Partners Combined	Each Partner	One Partner	
2.1.1 Nationality					
Nationality in accordance with ITB sub-clause 4.2	must meet requirement	must meet requirement	must meet requirement	not applicable	Letter of Technical Bid, Forms ELI - 1; ELI - 2 with attachments
2.1.2 Conflict of Interest					
No conflicts of interest in accordance with ITB Sub-Clause 4.3.	must meet requirement	existing or intended JV must meet requirement	must meet requirement	not applicable	Letter of Technical Bid
2.1.3 Government/ DP Eligibility					
Not having been declared ineligible by government /DP, as described in ITB Sub-Clause 4.4.	must meet requirement	must meet requirement	must meet requirement	not applicable	Letter of Technical Bid
2.1.4 Government-owned Entity					
Bidder required to meet conditions of ITB Sub-Clause 4.5.	must meet requirement	existing or intended JV must meet requirement	must meet requirement	not applicable	Letter of Technical Bid, Forms ELI - 1, ELI - 2, with attachments
2.1.5 UN Eligibility					

Not having been declared ineligible based on a United Nations resolution or Employer's country law, as described in ITB Sub-Clause 4.7.	must meet requirement	existing or intended JV must meet requirement	must meet requirement	not applicable	Letter of Technical Bid
2.1.6 Bidder's Running Contracts					
Bidders have not yet secured five (5) number of construction Contracts ² (in open competitive bidding) as described in ITB Sub-Clause 4.9.	must meet requirement	existing or intended JV must meet requirement	must meet requirement	not applicable	Letter of Technical Bid, Form ELI-3
2.1.7 Other Eligibility					
Firm or Company Registration Certificate	must meet requirement	not applicable	must meet requirement	not applicable	Document attachment
Business Registration License	must meet requirement	not applicable	must meet requirement	not applicable	Document attachment
VAT and PAN Registration certificate (only for domestic bidders)	must meet requirement	not applicable	must meet requirement	not applicable	Document attachment
Tax Clearance Certificate or Tax return submission evidence or evidence of time extension for the F/Y 2081/82 (Only for domestic bidders)	must meet requirement	not applicable	must meet requirement	not applicable	Document attachment
Additional requirements					

² Following Procurement of Works contracts shall not be counted for this purpose:

- The works for which tender were invited or contracts accepted before 2078-12-03 B.S (March 17, 2022 A.D)
- The works for which tender have been invited and contracts accepted after 2078-12-03 B.S (March 17, 2022 A.D) but the work acceptance report has been approved according to Rule 117 of PPR.
- The works for which tenders were invited or contracts accepted under all types of foreign assistance.


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2.2 Pending Litigation

Criteria	Compliance Requirements				Documents
Requirement	Single Entity	Joint Venture			Submission Requirements
		All Partners Combined	Each Partner	One Partner	
2.2.1 Pending Litigation					
All pending litigation shall be treated as resolved against the Bidder and so shall in total not represent more than 50 percent of the Bidder's net worth.	must meet requirement by itself or as partner to past or existing JV	not applicable	must meet requirement by itself or as partner to past or existing JV	not applicable	Form LIT - 1

2.3 Financial Situation

2.3.1 Historical Financial Performance

Submission of audited balance sheets and income statements, for the last 3(Three) years to demonstrate the current soundness of the Bidder's financial position. As a minimum, a Bidder's net worth for the last year calculated as the difference between total assets and total liabilities should be positive.	must meet requirement	not applicable	must meet requirement	not applicable	Form FIN - 1 with attachments
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2.3.2 Average Annual Construction Turnover

Minimum average annual construction turnover of NRs 40.6 million , calculated as total certified payments received for construction contracts in progress or completed, within best three years out of last ten fiscal years.	must meet requirement	must meet requirement	must meet 10.15 million	must meet 16.24 million	Form FIN -2
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Only the net amount shall be calculated after deducting the amount for VAT and such amount shall be adjusted to present value by applying wholesale price index of Nepal Rastra Bank.

2.3.3 Financial Resources

Using Forms FIN - 3 and FIN - 4 in Section IV (Bidding Forms) the Bidder must demonstrate access to, or availability of, financial resources such as liquid assets ³ , unencumbered real assets, and other financial resources, (other than any contractual advance payments) to meet the cash-flow requirement of NRs. 11.6 million	must meet requirement	must meet requirement	must meet 2.90 million	must meet 4.64 million	Form FIN - 3
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2.3.4 Required Bid Capacity

The bidding capacity of the bidder should be equal to or more than the NRs. 24.40 million	must meet requirement	must meet requirement	must meet 6.10 million	must meet 9.76 million	Form FIN - 4 and Form FIN - 5
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³ Liquid Assets mean cash and cash equivalents, short-term financial instruments, short term available-for-sale-securities, marketable securities, trade receivables, short-term financing receivables and other assets that can be converted into cash within ONE YEAR.

Criteria	Compliance Requirements			Documents
Requirement	Single Entity	Joint Venture		
		All Partners Combined	Each Partner	One Partner
				Submission Requirement

(b) Construction Experience in Key Activities*					
Participation as Prime contractor, management contractor, or subcontractor, within a last ten (10) years, For the above or other contracts stipulated in 2.4.2(a) above, a minimum annual production rate on construction experience in the following key activities that have been successfully or substantially ^a completed:	must meet all requirements	must meet all requirements	not applicable	not applicable	Form EXP - 2(b)
a) Micro concrete works: 42.0 m3 per year					

- * Under Criterion 2.4.2 (a), the specified requirements define the similarity of contracts, whereas the key activities or production rates to be specified under Criterion 2.4.2 (b) define the required capability of the Bidder to execute key components of the Works. There shall be no inconsistency or duplication of requirements between Criteria 2.4.2(a) and 2.4.2(b).
- * For the rate of production, the rate of production shall be on the basis of the average during the entire contract period.
- * Only the activities having weightage 10 percent or more of the total estimated amount that should be manufactured or built by contractor should be considered as key activities.
- * Key activities or production rates to be specified shall not restrict innovation and better quality.
- * Key activities or production rates of different contracts for a particular duration can be added while evaluating. The annual production rate of key activities can be converted to a monthly production rate during the overlap period for better interpretation and evaluation.
- * While specifying key activities or production rates, it shall be assured and to be recorded by public entity so that sufficient bidders with required qualification are available in market for adequate competition.
- * Key activities or production rates to be specified shall be unambiguous e.g. environmentally friendly, international/high standard, complex technology etc.
- * While specifying Key activities or production rates, the similarity shall be based on the complexity, methods or technology to be adopted.
- * The activities that can be sub-contracted or readily available in the market (e.g. lift, elevator, electrical works, special type of facilities etc.) shall not considered as key activities.



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