

# Section 3: Evaluation and Qualification Criteria

## Table of Criteria

|   |           |
|---|-----------|
| <b>1. Evaluation.....</b>   | <b>1</b>  |
| <b>1.1 Technical Evaluation .....</b>   | <b>2</b>  |
| <b>1.2 Alternative Technical Solutions .....</b>                                    | <b>2</b>  |
| <b>1.3 Economic Evaluation .....</b>  | <b>2</b>  |
| <b>1.3.1 Quantifiable Deviations and Omissions.....</b>                             | <b>2</b>  |
| <b>1.3.2 Time Schedule .....</b>  | <b>3</b>  |
| <b>1.3.3 Operation and Maintenance (O&amp;M) Costs .....</b>                        | <b>3</b>  |
| <b>1.3.4 Functional Guarantees of the Facilities .....</b>                          | <b>3</b>  |
| <b>1.3.5 Work, Services, Facilities, etc., to Be Provided by the Employer .....</b> | <b>3</b>  |
| <b>1.3.6 Specific Additional Criteria.....</b>                                      | <b>3</b>  |
| <b>1.3.7 Domestic Preference .....</b>  | <b>3</b>  |
| <b>1.4 Multiple Contracts .....</b>   | <b>3</b>  |
| <b>2. Qualification .....</b>   | <b>4</b>  |
| <b>2.1 Eligibility.....</b>   | <b>4</b>  |
| <b>2.1.1 Nationality .....</b>  | <b>4</b>  |
| <b>2.1.2 Conflict of Interest.....</b>  | <b>4</b>  |
| <b>2.1.3 ADB Eligibility .....</b>  | <b>4</b>  |
| <b>2.1.4 Government-Owned Enterprise .....</b>                                      | <b>4</b>  |
| <b>2.1.5 United Nations Eligibility .....</b>                                       | <b>4</b>  |
| <b>2.2 Historical Contract Nonperformance .....</b>                                 | <b>5</b>  |
| <b>2.3 Financial Situation.....</b>   | <b>7</b>  |
| <b>2.3.1 Historical Financial Performance.....</b>                                  | <b>7</b>  |
| <b>2.3.2 Average Annual Turnover.....</b>   | <b>7</b>  |
| <b>2.3.3 Financial Resources.....</b>   | <b>8</b>  |
| <b>2.4 Bidder's Experience .....</b>  | <b>10</b> |
| <b>2.4.1 Contracts of Similar Size and Nature .....</b>                             | <b>10</b> |
| <b>2.4.2 Experience in Key Activities.....</b>                                      | <b>10</b> |

## 1. Evaluation

## 1.1 Technical Evaluation

In addition to the criteria listed in ITB 34.1 (a)–(b), other relevant factors are as follows:

- The criteria listed in this Section and in Section 6 Employer's Requirements shall be evaluated on a pass-fail system with minimum acceptable level for each criteria enumerated. Any major deviation or deficiency from the technical requirement as specified in Section-6, viz. Employer's Requirements shall not be accepted. It may be noted that in case of minor deficiency in technical compliance, clarifications in terms of Clause 29 of Section 1 - ITB may be obtained or evaluation in line with this clause will be done. It may be noted that the Employer reserves the right to treat all such bids non-responsive wherein cost of technical deficiency is not quantifiable and the same affects overall technical acceptability of project
- 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 as stipulated in Section 6 (Employer's Requirements). Noncompliance with equipment and personnel requirements described in Section 6 (Employer's Requirements) shall not normally be a ground for bid rejection and such noncompliance will be subject to clarification during bid evaluation and rectification prior to contract award.
- The Employer may contact the previous/present clients or project centers of the project mentioned by the Bidder in the bid, in written or telephone or through personal visit of the representative of the Employer. The purpose of such visit shall be to establish the capacity and capabilities of the Bidder and the response towards the functional/technical requirement are also subject to the verification by Employer. Assessment of a bidders capacity and capability will be prime requirement for evaluation at either/every stage and if necessary rejection would be made. This is to avoid non-performance of a contract after award. Employer's decision would be final.
- A bid with a technically unacceptable deviation will be considered non-responsive. It may be noted that such a bid will not be accepted on the condition that the bidder concerned provides goods and services which conform to specifications stipulated in the bidding documents without increasing the bid price.

Noncompliance with equipment and personnel requirements described in Section 6 (Employer's Requirements) shall not normally be a ground for bid rejection and such noncompliance will be subject to clarification during bid evaluation and rectification prior to contract award.

## 1.2 Alternative Technical Solutions

Technical alternatives are not permitted.

## 1.3 Economic Evaluation

In addition to the criteria listed in ITB 39.2 I (a)–(f), other relevant factors are as follows:

Adjustments in price that result from the procedures outlined below shall be added, for purposes of comparative evaluation only, to arrive at an "Evaluated Bid Price." Bid prices quoted by Bidders shall remain unaltered.

### 1.3.1 Quantifiable Deviations and Omissions

Pursuant to ITB 33.3, the cost of all quantifiable nonmaterial nonconformities or omissions from the contractual and commercial conditions shall be evaluated. 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.

### **1.3.2 Time Schedule**

Time to complete the plant and services from the effective date specified in Article 3 of the Contract Agreement for determining the time for completion of pre-commissioning activities is: **18 months** No credit will be given for earlier completion.

### **1.3.3 Operation and Maintenance (O&M) Costs**

Not applicable

### **1.3.4 Functional Guarantees of the Facilities**

Not applicable

### **1.3.5 Work, Services, Facilities, etc., to Be Provided by the Employer**

NIL

### **1.3.6 Specific Additional Criteria**

Not applicable

#### **1.3.6.1 Environmental, Health and Safety Management Plan (EHSMP)**

Any bid not accompanied by the EHSMP shall not be rejected by the Employer as nonresponsive. If a Bidder submits a EHSMP that is not commensurate with the risks and impacts of the proposed works and activities in the bidding document, the Employer shall issue a request for clarification to request for further information from the Bidder. The Bidder must submit the requested information within 7 (seven) days of receiving such a request. Failure to provide a satisfactory response to the request for further information within the prescribed period of receiving such a request may cause the rejection of the Bid.

#### **1.3.6.2 Sustainable Procurement**

Not Applicable.

### **1.3.7 Domestic Preference**

Not Applicable

## **1.4 Multiple Contracts**

If works are grouped in multiple contracts and pursuant to ITB 39.4, the Employer will evaluate and compare Bids on the basis of a contract, or a combination of contracts, or as a total of contracts to arrive at the least cost combination for the Employer by taking into account discounts offered by Bidders in case of award of multiple contracts.

If a Bidder as defined in ITB 4.1 submits several successful (lowest evaluated substantially responsive) bids against the IFBs floated for packages namely PVVNL/OCB/T-6/18-19/P41, PVVNL/OCB/T-3/18-19/P39, PVVNL/OCB/T-4/18-

19/P38, and PVVNL/OCB/T-5/18-19/P40 by PVVNL, the evaluation will also include an assessment of the Bidder's capacity to meet the following aggregated requirements as presented in the bid:

- Average annual turnover,
- Financial resources,

## 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 4.2. | Must meet requirement | Must meet requirement | Must meet requirement | Not applicable | Forms<br>ELI - 1; ELI - 2<br>with attachments |
|---|-----------------------|-----------------------|-----------------------|----------------|---|

#### 2.1.2 Conflict of Interest

|  |                       |                       |                       |                |                         |
|--|-----------------------|-----------------------|-----------------------|----------------|-------------------------|
| No conflicts of interest in accordance with ITB 4.3. | Must meet requirement | Must meet requirement | Must meet requirement | Not applicable | Letter of Technical Bid |
|--|-----------------------|-----------------------|-----------------------|----------------|-------------------------|

#### 2.1.3 ADB Eligibility

|  |                       |                       |                       |                |                         |
|--|-----------------------|-----------------------|-----------------------|----------------|-------------------------|
| Not having been declared ineligible by ADB, as described in ITB 4.4. | Must meet requirement | Must meet requirement | Must meet requirement | Not applicable | Letter of Technical Bid |
|--|-----------------------|-----------------------|-----------------------|----------------|-------------------------|

#### 2.1.4 Government-Owned Enterprise

|  |                       |                       |                       |                |   |
|--|-----------------------|-----------------------|-----------------------|----------------|---|
| Bidder required to meet conditions of ITB 4.5. | Must meet requirement | Must meet requirement | Must meet requirement | Not applicable | Forms<br>ELI - 1; ELI - 2<br>with attachments |
|--|-----------------------|-----------------------|-----------------------|----------------|---|

#### 2.1.5 United Nations Eligibility

|  |                       |                       |                       |                |                         |
|--|-----------------------|-----------------------|-----------------------|----------------|-------------------------|
| Not having been excluded by an act of compliance with a United Nations Security Council resolution in accordance with ITB 4.8. | Must meet requirement | Must meet requirement | Must meet requirement | Not applicable | Letter of Technical Bid |
|--|-----------------------|-----------------------|-----------------------|----------------|-------------------------|

## 2.2 Historical Contract Nonperformance

### 2.2.1 History of Nonperforming Contracts

| Criteria   | Compliance Requirements |                       |                                    |                | Documents               |
|--|-------------------------|-----------------------|------------------------------------|----------------|-------------------------|
| Requirement  | Single Entity           | Joint Venture         |                                    |                | Submission Requirements |
|  |                         | All Partners Combined | Each Partner                       | One Partner    |                         |
| Nonperformance of a contract <sup>a</sup> did not occur as a result of contractor default since 1 January 2018 | Must meet requirement   | Must meet requirement | Must meet requirement <sup>b</sup> | Not applicable | Form CON-1              |

<sup>a</sup> Nonperformance, as decided by the Employer, shall include all contracts where (a) nonperformance 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. Nonperformance shall not include contracts where Employers decision was overruled by the dispute resolution mechanism. Nonperformance 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 Bidder have been exhausted.

<sup>b</sup> This requirement also applies to contracts executed by the Bidder as Joint Venture partner.

### 2.2.2 Suspension Based on Execution of Bid-Securing Declaration

| Criteria   | Compliance Requirements |                       |                       |                | Documents               |
|--|-------------------------|-----------------------|-----------------------|----------------|-------------------------|
| Requirement  | Single Entity           | Joint Venture         |                       |                | Submission Requirements |
|  |                         | All Partners Combined | Each Partner          | One Partner    |                         |
| Not under suspension based on execution of a Bid Securing Declaration pursuant to ITB 4.6. | Must meet requirement   | Must meet requirement | Must meet requirement | Not applicable | Letter of Technical Bid |

### 2.2.3 Pending Litigation and Arbitration

Pending litigation and arbitration criterion shall apply.

| Criteria   | Compliance Requirements |                       |                       |                | Documents               |
|--|-------------------------|-----------------------|-----------------------|----------------|-------------------------|
| Requirement  | Single Entity           | Joint Venture         |                       |                | Submission Requirements |
|  |                         | All Partners Combined | Each Partner          | One Partner    |                         |
| All pending litigation, arbitration or other material events impacting the net worth and/or liquidity of the bidder, if any, 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 calculated as the difference between total assets and total liabilities. | Must meet requirement   | Not applicable        | Must meet requirement | Not applicable | Form CON – 1            |

#### 2.2.4 Declaration: Environmental, and Health and Safety Past Performance

| Criteria   |   | Compliance Requirements |   |                | Submission Requirements |
|--|---|-------------------------|---|----------------|-------------------------|
| Requirement  | Single Entity   | All Partners Combined   | Each Partner  | One Partner    |                         |
| Declare any contracts that have been suspended or terminated and/or performance security called by an employer for reasons related to the non-compliance of any environmental, health and safety contractual obligations in the past five years. | Must make the declaration. If the bidder proposes Specialist Sub-contractor/s to meet EQC 2.4.2, those Specialist Sub-contractor/s must also make the declaration | Not applicable          | Each partner must make the declaration. If the bidder proposes Specialist Sub-contractor/s to meet EQC 2.4.2, those Specialist Sub-contractor/s must also make the declaration. | Not applicable | Form CON-2              |

## 2.3 Financial Situation

### 2.3.1 Historical Financial Performance

| Criteria   | Compliance Requirements |                       |                       |                | Documents                     |
|--|-------------------------|-----------------------|-----------------------|----------------|-------------------------------|
| Requirement  | Single Entity           | Joint Venture         |                       |                | Submission Requirements       |
|  |                         | All Partners Combined | Each Partner          | One Partner    |                               |
| Submission of audited financial statements or, if not required by the law of the Bidder's country, other financial statements acceptable to the Employer, for the last 3 years to demonstrate the current soundness of the Bidder's financial position. As a minimum, the 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 |

### 2.3.2 Average Annual Turnover

| Criteria  | Compliance Requirements |                       |                                  |                                  | Documents               |
|---|-------------------------|-----------------------|----------------------------------|----------------------------------|-------------------------|
| Requirement   | Single Entity           | Joint Venture         |                                  |                                  | Submission Requirements |
|   |                         | All Partners Combined | Each Partner                     | One Partner                      |                         |
| Minimum average annual turnover of INR 96.70 Crore calculated as total certified payments received for contracts in progress or completed, within the last 3 years. | Must meet requirement   | Must meet requirement | Must meet 25% of the requirement | Must meet 50% of the requirement | Form FIN - 2            |

### 2.3.3 Financial Resources

If the bid evaluation process and the decision for the award of the Contract takes more than 1 year from the date of bid submission, Bidders may be asked to resubmit their current contract commitments and latest information on financial resources supported by latest audited accounts or audited financial statements, or if not required by the law of the Bidder's country, other financial statements acceptable to the Employer, and the Bidders' financial capacity, will be reassessed on this basis.

| Criteria  | Compliance Requirements |                       |                       |                       | Documents                     |
|---|-------------------------|-----------------------|-----------------------|-----------------------|-------------------------------|
| Requirement   | Single Entity           | Joint Venture         |                       |                       | Submission Requirements       |
|   |                         | All Partners Combined | Each Partner          | One Partner           |                               |
| For Single Entities:<br>The Bidder must demonstrate that its financial resources defined in FIN - 3, less its financial obligations for its current contract commitments defined in FIN - 4, meet or exceed the total requirement for the Subject Contract of INR 16.12 Crore                             | Must meet requirement   | Not applicable        | Not applicable        | Not applicable        | Form FIN – 3 and Form FIN - 4 |
| For Joint Ventures:<br>(1) One partner must demonstrate that its financial resources defined in FIN - 3, less its financial obligations for its own current contract commitments defined in FIN - 4, meet or exceed its required share of 50% from the total requirement for the Subject Contract.<br>AND | Not applicable          | Not applicable        | Not applicable        | Must meet requirement | Form FIN – 3 and Form FIN - 4 |
| (2) Each partner must demonstrate that its financial resources defined in FIN - 3, less its financial obligations for its own current contract commitments defined in FIN - 4, meet or exceed its required share of 25% from the total requirement for the Subject Contract.<br>AND                       | Not applicable          | Not applicable        | Must meet requirement | Not applicable        | Form FIN – 3 and Form FIN - 4 |



|  |                |                       |                |                |                               |
|--|----------------|-----------------------|----------------|----------------|-------------------------------|
| (3) The Joint Venture must demonstrate that the combined financial resources of all partners defined in FIN - 3, less all the partners' total financial obligations for the current contract commitments defined in FIN - 4, meet or exceed the total requirement for the Subject Contract of INR 16.12 Crore. | Not applicable | Must meet requirement | Not applicable | Not applicable | Form FIN – 3 and Form FIN - 4 |
|--|----------------|-----------------------|----------------|----------------|-------------------------------|

## 2.4 Bidder's Experience

### 2.4.1 Contracts of Similar Size and Nature

| Criteria   | Compliance Requirements |                       |                             |                       | Documents                 |
|--|-------------------------|-----------------------|-----------------------------|-----------------------|---------------------------|
| Requirement  | Single Entity           | Joint Venture         |                             |                       | Submission Requirements   |
|  |                         | All Partners Combined | Each Partner                | One Partner           |                           |
| Participation as a contractor, Joint Venture partner, or Subcontractor, in construction of HT and LT Power distribution lines and distribution transformers contract/s that have been successfully completed within the last 5 years and are similar to the proposed contract ; where the value of the Bidder's participation exceeds INR 77.36 Crore for single completed contract. The similarity of the Bidder's participation shall be based on:<br>1)Physical Size<br>2)Nature of works<br>3)Complexity | Must meet requirement   | Not applicable        | Not applicable <sup>c</sup> | Must meet requirement | Form EXP – 1 <sup>d</sup> |

<sup>a</sup> For contracts under which the Bidder participated as a Joint Venture partner or Subcontractor, only the Bidder's share, by value, shall be considered to meet this requirement.

<sup>b</sup> For contracts implemented by a Joint Venture contractor, if the Bidder comprises the same Joint Venture, the 'Single Entity' requirements will apply.

<sup>c</sup> In case of complex works, the Employer may require each partner to demonstrate one satisfactorily and substantially completed contract of similar nature where such partner's value of participation exceeds 25% of the subject contract value.

<sup>d</sup> In addition to the submission requirement Form EXP – 1, the bidder shall provide the following supporting documents:

1. Signed Contract Agreement, and

2. Taking-Over Certificate, Contract Completion Certificate or Performance Certificate, in sufficient detail to verify the contract name, value and completion time (or substantial completion). If the documents are other than in English, an accurate certified translation of these documents in English shall be provided.]

### 2.4.2 Experience in Key Activities

2.4.2(a) Must be complied with by the Bidder. In case of a Joint Venture Bidder, the Bidder or at least one of the partners must meet the requirement in the key activity. For contracts under which the Bidder participated as a Joint Venture partner, only the Bidder's designated scope of works under the contracts shall be considered to meet this requirement.

Table A

| Criteria    | Compliance Requirements |               | Documents               |
|-------------|-------------------------|---------------|-------------------------|
| Requirement | Single Entity           | Joint Venture | Submission Requirements |

|  |                       |                       |                           |
|--|-----------------------|-----------------------|---------------------------|
| For the above or other contracts executed during the period stipulated in 2.4.1, a minimum experience in the following key activities:   | Must meet requirement | Must meet requirement | Form EXP – 2 <sup>a</sup> |
| <p>For the above or other contracts executed in past 5 years, a minimum experience in the following key activities</p> <p>1. The bidder must have successfully erected, tested &amp; commissioned 11 kV and LT power distribution lines/feeders (including both ACSR and AB cable lines) and distribution transformer substations in one turnkey contract in last 5 years as on the date of bid opening, having installed of at least 70% of the total Distribution Transformer numbers considered in proposed bid and 70% of the total length of 11 kV and LT lines considered in proposed bid and the system so created must be in satisfactory operation for at least one (1) year as on date of opening of bid</p> |                       |                       |                           |

<sup>a</sup> Submission requirements: Form EXP – 2 shall be supported by documents such as Signed Contract Agreement, Taking-Over Certificate or Contract Completion Certificate indicating the contract name, value, completion date (or percentage of substantial completion), activities performed by Joint Venture partners, and other relevant details sufficient to demonstrate compliance with the requirements.