

Government of West Bengal
Public Works Department
Works Branch

No. 45-W(C)/1M-23/15

Dated: 13/02/2015

MEMORANDUM

Subject: Bid evaluation committee and financial information of the bidders

It has been observed that different tender inviting authorities are employing Chartered Accountants to assess financial capability of the bidders for evaluation of technical bids of any works. Evaluation of technical bids of agencies for public work is the responsibility of tender inviting authorities, which cannot be delegated to any Chartered Accountant, who is only working in private capacity. This practice leads to extra time in evaluation and at times, incorrect assessments of financial eligibility of the bidders lead to grievance and litigation. To avoid such problems the procedure to assess financial capability of the bidders by tender inviting authorities needs to be standardised.

2. Accordingly, based on the recommendations of the Chief Engineers' Committee, the Governor is pleased to prescribe a format of Declaration in respect of financial information of the bidders to evaluate their financial capability along with detailed procedure to assess bid capacity of bidders according to the financial declaration furnished by them enclosed herewith as Annexure - A.

3. The Governor is further pleased to direct that a Bid Evaluation Committee (BEC) be constituted under Superintending Engineers who are the tender inviting authorities for all works beyond the tender accepting power of Executive Engineers.

The members of Bid Evaluation Committee would comprise of the following officials -

- (i) Superintending Engineer – Chairperson & convenor
- (ii) Concerned Executive Engineer
- (iii) TA to Suptd. Engineer of concerned circle or Any other Executive Engineer of the Circle.
- (iv) Divisional Accounts Officer / Divisional Accountant.

4. The Bid Evaluation Committee would do the technical and financial evaluations of the bidders for different types of works and make recommendations to the tender accepting authority.

All concerned should follow the aforesaid guidelines in all future NITs.

By order of the Governor,



(INDEVAR PANDEY)

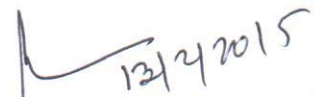
Principal Secretary to the Govt. Of West Bengal
Public Works Department

No. 45/1(6)-W(C)/1M-23/15

Dated: 13/02/2015

Copy forwarded for information and necessary action to:

1. The Principal Secretary, Finance
2. The Principal Accountant General (A&E), West Bengal.
3. The Finance Department, Group-'T'.
4. The Finance (Budget) Department
5. The Financial advisor, P.W.Dept.
6. The Private Secretary to the Hon'ble MIC, PWD
7. PS to the Principal Secretary, PWD



Joint Secretary, P.W.D.

No. 45/1(6)-W(C)/1M-23/15

Dated: 13/02/2015

Copy forwarded for information and necessary action to:

1. The Chief Engineer _____
2. The Superintending Engineer _____
3. The Executive Engineer _____
4. The Executive Engineer, IT Division, PWD. He is requested to upload the order in PWD website,



Joint Secretary, P.W.D.

Information of audited financial statements for the last year to demonstrate the current soundness of the Bidder's financial position :

1. The Bidder's Net worth for the last year calculated as the difference between total assets and total liabilities should be positive.

2. Bidders, who meet the minimum qualification criteria, will be qualified only if their available bid capacity at the expected time of bidding is more than the total estimated cost of the works. The available bid capacity will be calculated as under:

Assessed Available Bid capacity = (A×N×2 – B) where

A = Maximum value of engineering works in respect of Projects executed in any one year during the last five years (updated to the price level of the year indicated in table below under note) taking into account the completed as well as works in progress. The projects include turnkey project/ Item rate contract/ Construction works.

N = Number of years (i.e., ___year) prescribed for completion of the works for which Bids are invited.

B = Financial Liability of the bidder to be incurred for existing commitments and on-going works during the period of the subject contract.

To calculate the value of "A"

i) A table containing value of Engineering Works in respect to Projects (Turnkey projects / Item rate contract/ Construction works) undertaken by the Bidder during the last 5 years is as follows:

Sl. No.	Year	Value of Engineering Works undertaken w.r.t. Projects (Rs. In Crores)
1.	Year-5	
2.	Year-4	
3.	Year-3	
4.	Year-2	
5.	Year-1	

ii) Maximum value of projects that have been undertaken during the F.Y. _____ out of the last 5 years and value thereof is Rs. _____ Crores (Rupees _____). Further, value updated to the price level of the year indicated in Table is as follows:

Rs. _____ Crores x _____ (Updation Factor as per Table annexed)

= Rs. _____ Crores (Rupees _____).

Table indicating The factor for the year for updation to the price level is indicated as under

Sl.No.	F.Y. / Calender Year	Updation factor
1.	Year-1	1.00
2.	Year-2	1.05
3.	Year-3	1.10
4.	Year-4	1.15
5.	Year-5	1.20

iii) Net worth for the last year of _____ (name of the company)

=

<p>..... Signature, name and designation of Authorised Signatory</p> <p>For and on behalf of (Name of the Applicant)</p>

<p>..... Name of the Statutory Auditor's firm:</p> <p>Seal of the audit firm: (Signature, name and designation and Membership No. of authorised signatory).</p>

To calculate the value of "B"

3. A table # containing value of all the existing commitments and on-going workings to be completed during the next ____ years (prescribed time for completion of the works for which Bids are invited) is as follows:

Sl. No.	Name of Work/ Project	Name of the Employer	Percentage of participation of Bidder in the project	Stipulated period of completion as per Agreement/LOA with the Start date	Value of Contract as per Agreement / LOA Rs. ____	Value of work completed Rs. ____	Balance value of work to be completed Rs. ____	Anticipated date of completion	Financial liability to incurred for the said work/ project during the period of the subject contract Rs. ____
1	2	3	4	5	6	7	8	9	10

.....

 Signature, name and designation of
 Authorised Signatory

For and on behalf of
(Name of the Applicant)

Note:

1. All the documents to be submitted in support of Annexure-A must be duly signed and sealed by the applicant/bidder and authenticated by Statutory Auditor's firm.
2. In case of a Joint Venture, Lead Member of such joint venture shall be required to meet 60% of required Bid Capacity and each of the Joint Venture Members shall be required to meet at least 30% of requirement of Bid Capacity. Bid capacity of all the members in total should be at least 100% of required Bid capacity.