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Sub: Clarification on Criteria for ascertaining Financial Capability of the bidders

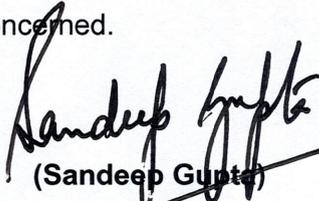
During a Business Partner's Meet in Ankleshwar one of the MSME Vendor raised the issue on a clause of BEC wherein bidders are required to quote for minimum quantum of work in percentage terms. The maximum number of bidders who can be awarded the work is also mentioned and distribution of work between TA/CA L-1 bidder and various other TA/CA bidders is also specified in the tender (TA/CA L-1 bidder gets a higher minimum percentage of work while L-2 and other lower ranked TA/CA bidders get a lower quantum percentage of work).

The point raised by the vendor was that even though they are not awarded the minimum quantum of work (which is awarded to the TA/CA L-1 bidder) but they have to quote for minimum quantum of the work prescribed for TA/CA L-1 bidder and their financial capability is assessed for the minimum quantum of work.

To encourage participation of MSMEs vendors, in such situation the Financial Criteria may be ascertained for the lowest minimum quantum of work to be awarded to bidder(s). However, in case a bidder quotes for quantum of work which is higher as compared to minimum quantum of work specified in the tender, then such bidder will have to meet Financial Criteria for the quoted quantum of work and not the minimum quantum of work.

Another issue which was raised was that the actual quantum of work which is awarded is much lower less than the percentage limit specified in the tender. In this regard, Work Centre are advised that they estimate the quantum of work to be awarded to the vendors realistically so that such a situation can be avoided to the extent possible.

Above guidelines should be meticulously followed by all concerned.


(Sandeep Gupta)
ED-Chief Procurement Officer
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