



Bid Evaluation

-

Procurement of Goods or Works

BID EVALUATION

- ❖ **EVALUATION**
 - Only for Substantially Responsive Bids
- ❖ **CURRENCY CONVERSION**
 - As of Preannounced Date
 - Not later than Original Bid Validity
- ❖ **GOODS**
 - Price Only
 - Price + Delivery
 - Price + Delivery + Technical
 - (for active ingredients)
 - Partial Quantity
 - (Permissible only in Commodities)
 - Shipping Terms



BID EVALUATION (Contd..)

- ❖ **OBJECT**
 - Secure Goods/Services at most economical Cost
 - Price is Only one factor
- ❖ **OTHER FACTORS**
 - Time of Delivery/Completion
 - Terms of Payment
 - Terms of Guarantee
 - Technical Merits, Capacity, Productivity
 - Operating Cost
 - Maintenance Cost
 - Efficiency
 - Resale Value/Depreciated Value
- ❖ **CRITERIA**
 - Shall be stated in Bid Documents
 - Ideally all Factors to be Quantified in Monetary Terms

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BID EVALUATION (Contd..)

- ❖ **INDUSTRIAL PLANTS**
 - o Machinery
 - Price
 - Delivery
 - Payment Terms
 - Spare Parts
 - Capacity
 - Performance
 - Efficiency
 - Life Cycle Cost
 - Total Cost
 - o Deviations
 - (i) How much can be “clarified”
 - (ii) How to quantify?

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EVALUATION CRITERIA

TECHNICAL FEATURES

- ❖ Operating Cost
- ❖ Fuel
- ❖ Training
- ❖ Maintenance Cost
- ❖ Standardization
- ❖ Resale Value/depreciated Cost
- ❖ Life Cycle Cost
- ❖ Ownership Cost
- ❖ Capacity
- ❖ Productivity

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LIFE CYCLE COST METHOD

Cost to own and operate item during its useful life

- ❖ Initial Purchase Price
 - ⇒ Adjusted for extras, delivery variations in payment term etc.
 - Value of adjustments added to bid price
- ❖ Operating Cost during life of item
 - ⇒ Fuel, spare parts, maintenance (x years)
 - All Annual costs discounted to NPV
- ❖ Ownership cost during life of item
 - ⇒ Economical useful life (x years)
 - Minus Resale or scrap value discounted to NPV

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LIFE CYCLE COST METHOD (Contd..)

- ❖ **Efficiency Cost Method**
 - ◆ Capitalize differences in efficiency in operation of items i.e., boiler, turbine, transformer etc. during life

- ❖ **Productivity Cost Method**
 - ◆ Determine life cycle cost per unit of output for comparison purposes
 - ⇒ Life cycle cost of plant (x years) NPV divided by total unit output of plant

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BID EVALUATION FOR URBAN BUSES

	DOMESTIC BID	FOREIGN BID
PRICE EXFACTORY/FOB	PES 900,000	DM 100,000
OCEAN FREIGHT AND INSURANCE	--	DM 5,625
PRICE EXFAC./CIF PORT OF ENTRY	PES 900,000	DM 105,625
PRICE EXFAC./CIF CONVERTED TO COMMON CURRENCY (USD)	45,000	42,250
INLAND TRANSPORTATION	200	1,500
EVALUATED COST DELIVERED AT SITE	45,200	43,750
PENALTY FOR DEVIATION IN PAYMENT TERMS	--	50
DELIVERY/COMPLETION EVALUATION	1,200	--
WARRANTY	--	100
TOTAL EVALUATED COST	46,400	44,350
PRICE PREFERENCE (15% OF CIF)	--	6,337
EVALUATED COST WITH PREFERENCE	46,400	50,687
RANKING	1	2

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ON "LIFE CYCLE COST" BASIS

Total Evaluated Cost (without preference)	46,400	44,350
Fuel Cost for 8 years	52,000	46,000
Maintenance Cost for 8 years	34,000	28,000
	132,400	118,350
Minus Depreciated Cost/Resale Value	-2,000	-5,000
Life cycle Cost	130,400	113,350
Domestic Preference (15% of CIF)		6,337
Evaluated Cost with Preference	130,400	119,687
Ranking	2	1

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BID EVALUATION USING LIFE CYCLE COSTING FOR PROCUREMENT OF 100 HIGHWAY TRUCKS

RELEVANT PART OF THE BID EVALUATION CLAUSES IN THE BIDDING DOCUMENTS

The evaluation and comparison of bids shall be based on the life cycle cost for the vehicles during the first 6 years, worked out in the following manner.

1. **INITIAL PRICE:**
 - CIF/CIP Price quoted for trucks offered from abroad
 - ex-factory/ex-showroom price for vehicles offered from within the country

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Contd...

2. OPERATING AND MAINTAINENCE COSTS:

2.1 Fuel costs shall be computed on the basis of 100,000 Km of operation per year at a fuel price of 0.80 USD per liter, discounted to net present value at a discount rate of 10 percent.

2.2 Spare parts cost shall be based on 100,000 Km per year of operation, based on the guaranteed figures provided by the bidder for each year, discounted to net present values at a discount rate of 10 percent. If guaranteed figures are not provided, purchaser may use estimated figures based on past experience if available.

(Contd...)

3. DEPRECIATED COST:

3.1 Purchaser shall estimate the depreciated cost of the vehicle offered based on the guaranteed life prior to the first major overhaul, or based on past experience, but in no case more than 8 years.

4. BIDDERS SHALL FURNISH ALL THE DATA REQUIRED FOR THE ABOVE COMPUTATIONS, AS FURTHER OUTLINED UNDER CLAUSE OF THE TECHNICAL SPECIFICATIONS.

BID EVALUATION USING LIFE CYCLE COST 100 HIGHWAY TRUCKS

		All Figures in USD	
		A	C
1. INITIAL COSTS			
	Bid Price Ex-factory/CIF	65,000	70,000
	Evaluation Adjustment for Delivery Schedule	6,000	--
	Evaluation Adjustment for variation in payment terms	--	1,000
	TOTAL	71,000	71,000
2. OPERATING AND MAINTENANCE COSTS			
Fuel	Guaranteed cost for each year	(8,000)	(6,000)
	NPV for 6 years	34,840	26,130
Spares	Guaranteed cost (Average) for each year	(5,000)	(4,000)
	NPV for 6 years	21,775	17,420
	TOTAL	56,615	43,550
3. DEPRECIATED VALUE (DEDUCT)			
	Life	(6 Yrs.)	(8 Yrs.)
	Depreciated Value	0	12,500
4. TOTAL LIFE CYCLE COST		127,615	102,050
RANKING		2	1

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BID EVALUATION USING LIFE CYCLE COSTING FOR THE PROCUREMENT OF A 500 MW COAL-FIRED POWER STATION BOILER COMPLEX

RELEVANT PART OF THE BID EVALUATION CLAUSES IN THE BIDDING DOCUMENTS

Bids will be evaluated on life cycle principles by evaluating the initial cost and the cost of operation of the plant over a period of 20 years. The evaluation of the operating costs will be based on the capitalized cost for each percent of boiler efficiency above the minimum acceptable, as specified in the technical specification, discounted to present value at a discount rate of 10 percent. The evaluation will be on the following norms:

1. Bid Price for the boiler and mandatory spares.
2. Price for spares required for the first five years of operations, capitalized to present value at 10 percent.

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BID EVALUATION USING LIFE CYCLE COSTING (Contd.)

3. Adjustments to bid price for omissions, deviations and exceptions to technical and commercial conditions in the bidding documents.
4. Capitalized cost savings for boiler efficiency at the rate of US\$ 500,000 per each 0.1 percent above 80 percent.
5. Capitalized cost for the auxiliary power consumption at US \$ 2,000 per KW.

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BID EVALUATION USING LIFE CYCLE COSTING 500 MW COAL-FIRED POWER STATION

*All figures in USD
(In Thousands)*

	A	C
1. INITIAL COSTS		
TOTAL QUOTED PRICE, INCLUDING MANDATORY SPARES	185,000	200,000
2. ADJUSTMENTS		
(A) ADJUSTMENTS IN MANDATORY SPARES	3,000	--
(B) COMMERCIAL EXCEPTIONS (delivery, payment terms)	15,500	12,000
(C) TECHNICAL EXCEPTIONS (omission of equipment, capacity shortage, etc.)	28,000	24,000
INITIAL COST	231,500	236,000
3. ADJUSTMENTS FOR FOLLOW-ON COSTS		
(A) NPV OF SPARES FOR FIVE YEARS	40,000	28,000
(B) NPV OF SAVING FOR HIGHER EFFICIENCY	-12,000	-18,000
(C) NPV OF AUXILIARY POWER CONSUMPTION	5,000	7,000
TOTAL ADJUSTMENT FOR FOLLOW-ON COST	33,000	17,000
3. TOTAL EVALUATED COST ON LCC PRINCIPLES	264,500	253,000
RANKING	2	1

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BID EVALUATION USING LIFE CYCLE COSTING OIL PALM PLANT

RELEVANT PART OF THE BID EVALUATION CLAUSES IN THE BIDDING DOCUMENTS:

The evaluation and comparison of responsive bids shall be based on the total life cycle cost for six years, per unit of output. The life cycle cost shall be the sum of the initial purchase price of the plant and the cost of operation in electric energy for six years of operation at a unit cost of US \$ 0.10 Per KWH, discounted to present value at 12 percent.

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BID EVALUATION USING LIFE CYCLE COSTING

BID EVALUATION AND COMPARISON

All Figures in
USD(in Thousands)

		A	B
	INITIAL COSTS		
1	Initial Cost	9,500	10,300
2	Operating Cost per Year	-1,200	-1,000
	Operating Cost for 6 years NPV at 12 percent	4,933	4,111
3	Total Life Cycle Cost	14,433	14,411
4	Output per year (Tons)	3,600	4,000
5	Evaluated Cost Per Ton of Output	4.01	3.6
	RANKING	2	1

- A – 12 Million KWH @.10 Per KWH

- B – 10 Million KWH @.10 Per KWH

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BID EVALUATION

- ❖ **CIVIL WORKS**
 - Arithmetical errors- **Change in Guidelines ITB 31.1(c) of SBD Major**
 - Unbalanced Bids

 - Completion Time

 - Deviation on Contract Terms
 - Liquidated Damages
 - Retention Money
 - Securities
 - Liabilities

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BID EVALUATION – WORKS

- ❖ **CLARIFICATION OF BIDS (if necessary)**
- ❖ **DETERMINATION OF RESPONSIVENESS**
 - “Substantial” Responsiveness
 - No material deviations
- ❖ **CORRECTION OF ERRORS**
 - Figures/Words
 - Unit rate/Total
 - Misplacement of Decimal Point
- ❖ **CONVERSION TO SINGLE CURRENCY**
 - Options; Rate of Exchange
 - Up to 28 Days prior to bid opening
 - Bid Opening Day
 - Any other Date Specified in bidding Documents (within the original period of validity of bids).

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BID EVALUATION – WORKS (CONTD.)

- ❖ **EVALUATION AND COMPARISON OF BIDS**
- Compare bids in single currency, after excluding provisional sums, contingency
- Add monetary cost of quantifiable variations with timing implications
- Add value of benefits forgone for longer times of completion
- Adjust for “acceptable” quantifiable variations
- Preference for domestic bidders IDA only
- 7-1/2% on the evaluated Bid Price

[GNP per capita below US\$ 935 only in 2007-this is revised every year-Applicability will be stated in legal agreement]

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EXAMPLE: CURRENCY CONVERSION (Civil Works)

		BID A	BID B
1	Bid as submitted in local currency, Pesos Foreign Currency Component At exchange rate 28 days prior to closing	P9,000,000 33.3% in US\$	P10,000,000 40% in DM
2	Exchange Rates A. As of 28 days prior to bid opening B. On date of bid opening C. On date specified in Bid Documents	US\$1 = P100 US\$1 = P120 US\$1 = P150	DM1 = P50 DM1 = P55 DM1 = P55
3	Local Currency Component	P6,000,000	P6,000,000
4	Foreign Currency Component Foreign Currency Component converted to local currency equivalent A. 28 days prior to bid opening B. On date of Bid Opening C. On date specified in Bid Documents	US\$30,000 P3,000,000 P3,600,000 P4,500,000	DM80,000 P4,000,000 P4,400,000 P4,400,000
5	Total Bid Price A. 28 days prior to bid closing B. On date of Bid Opening C. On date specified in Bid Documents	P9,000,000 P9,600,000 P10,500,000	P10,000,000 P10,400,000 P10,400,000

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Example: Bid Evaluation for Construction of Hospital

S.No	Item	A	B
1	Price (in local currency Equivalent)	5,000,000	5,650,000
2	Adjustment for completion time (at 20% annual rate of return)	-	565,000
3	Adjustment for 5% ceiling for liquidated damages as against 10% in bidding document	250,000	-
4	Adjustment for Parking lot omitted (from original estimate)	250,000	
5	Adjustment for 20% of mobilization advance instead of 10% stipulated at 12% interest	202,464	
	Total	5,702,464	6,215,000
	Rank	1	2

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DOMESTIC PREFERENCE

GOODS

❖ ELIGIBILITY

- ◆ Only for Manufactured Goods

❖ CRITERIA

- ◆ “Not” nationality of Bidder, but place of Manufacture
- ◆ Bid shall be ‘ex-works’
- ◆ Locally “manufactured” Minimum local content > 30%
- ◆ In an ongoing Manufacturing Unit
- ◆ Margin is added to CIP price [excluding customs duty and import taxes] of Foreign Bids, not subtracted from local bids.

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CLASSIFICATION

Group A:

Bids offering goods manufactured in the Purchaser's country, for which (i) labour, raw materials, and components from within the Purchaser's country account for more than thirty (30) percent of the EXW price; and (ii) the production facility in which they will be manufactured or assembled has been engaged in manufacturing or assembling such goods at least since the date of bid submission.

Group B:

All other bids offering goods from within the country of the Purchaser

Group C:

Bids offering goods of foreign origin to be imported by the Purchaser directly or through the Supplier's local agent including those already imported.

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DOMESTIC PREFERENCE

❖ WORKS

- Only in Countries with per Capita Income less than a specified sum [US\$ 935 per capita in 2007]
- Margin 7.5%
- 100% Local

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NEW POLICY FROM JULY 1999 FOR WORKS

Application of the 7 ½ preference for joint ventures would be limited only to joint ventures of domestic bidders, as defined below:

A “domestic bidder” is one who meets the following criteria:

- (a) for an individual firm:
 - (i) is registered in the country of the borrower;
 - (ii) has more than 50% ownership by nationals of the country of the Borrower;
 - (iii) does not subcontract more than 10% of the contract price, excluding provisional sums, to foreign contractors.
- (b) for a joint venture (JV) of domestic firms:
 - (i) individual member firms shall satisfy (a)(i) and (a)(ii) above;
 - (ii) the JV shall be registered in the country of the Borrower;
 - (iii) the JV shall not subcontract more than 10% of the contract price excluding provisional sums, to foreign firms.

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CLASSIFICATION

Group A:

Bids offered by domestic bidders and joint ventures meeting the criteria set out above

Group B:

All other bids

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DOMESTIC PREFERENCE (ILLUSTRATIONS)

CASE 1

Procurement of Vehicles	All figures in USD				
Evaluation on Price Alone	A1	B1	C1	C2	C3
Price Ex-factory CIP*	10,000	9,900	10,500	11,300	12,000
Step 1					
Lowest Bid in Each Group	10,000	9,900	10,500		
Ranking	2	1	3		
Award		B1			

[From (2004) Guidelines 'B' will exclude wholly imported items. That will be treated as 'C'.]
CIP* excludes Customs Duty and Import Taxes.

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DOMESTIC PREFERENCE (ILLUSTRATIONS)

CASE 2

Procurement of Vehicles	All figures in USD				
Evaluation on Price Alone	A1	B1	C1	C2	C3
Price Ex-factory CIP	10,000	9,900	9,500	11,300	12,000
Step 1					
Lowest Bid in Each Group	10,000	9,900	9,500		
Ranking	3	2	1		
Since LEB is in Group C					
Step 2					
Lowest in GP A and GPC Bids	10,000		9,500	11,300	12,000
Domestic Preference					
15% of CIP Price	--		1,425	1,695	1,800
Total for Comparison	10,000		10,925	12,995	13,800
Ranking	1		2	3	4
Award	A1				

[[In the current Guidelines 'B' will exclude wholly imported items. That will be treated as 'C'.]

CIP excludes Customs Duty and Import Taxes.

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DOMESTIC PREFERENCE (ILLUSTRATIONS)

CASE 3

Operating (NPV) cost for 4 years	A1	B1	C1	C2	C3
Price ex-factory / CIP	10,000	11,000	12,000	13,500	9,000
NPV of Operating Cost	10,000	10,000	6,000	8,000	9,100
TOTAL EVALUATED COST	20,000	21,000	18,000	21,500	18,100
Step 1					
Lowest Bid in Each Group	20,000	21,000	18,000		
Ranking	2	3	1		
Since the lowest is from Group C					
Step 2					
Group A and all Group C	20,000		18,000	21,500	18,100
Domestic Preference Margin					
15% of CIP Price	--		1,800	2,025	1,350
Total for Comparison	20,000		19,800	23,525	19,450
Ranking	3		2	4	1
Award			C3		

[In the current Guidelines 'B' will exclude wholly imported items. That will be treated as 'C.'] CIP excludes Customs Duty and Import Taxes. 31

Evaluation on Price of Plant Plus Erection Plus Operating Cost in 4 Years NPV

	P		O		R	
	\$	+ Rs.	\$	+ Rs.	\$	+ Rs.
BID PRICE						
1. Price of Imported Machines/plants CIF/CIP	2,000		3,000		6,000	
2. Price of Local Machines Plant Ex-factory		80000		90000		30000
3. Associated Civil Works And other Services	500	10000	600	14000	1,000	5000
4. Design, Supervision and other Services	1000	5000	2000	4000	1000	8000
EVALUATION BID PRICE						
Foreign Currency	3,500		5,600		8,000	
Equivalent Rs. (1\$ = 10 Rs.)		35,000		56,000		80,000
Local currency		95,000		108,000		43,000
Overall Total Bid Price Rs.		130,000		164,000		123,000
Operating Cost (NPV)		40,000		60,000		45,000
Total Evaluated Cost		170,000		224,000		168,000
DOMESTIC PREFERENCE MARGIN						
15% OF CIF/CIP PRICE						
Imported Plant in Rs.		3,000		4,500		9,000
Total for Comparison		173,000		228,500		177,000
Ranking		1		3		2
Award		P				

[This is inserted in Jan 2011 GL para 7 of Appendix 2

PREFERENCE FOR DOMESTIC CONTRACTORS

EVALUATION PROCEDURE (Clause 32.4)

- * Divide Bidders into:
 - Group A [Domestic Contractors] and
 - Group B [Other Contractors]

Bidders	A	A1	B	B1
Bid Price	1,140	1,200	1,150	1,160
Adjusted Bid Price*	1,040	1,100	1,000	1,050
RANKING	-2	-4	-1	-3
Dom. Pref 7.5%**	--	--	75	79
TOTAL	1,040	1,100	1,075	1,129
RANKING	-1		-2	

Contract Award **X**

* Corrected for Errors, and net of provisional sums
[Clause 31.2 a, b, c and f]

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** Applied to adjusted Bid Price

PREFERENCE FOR DOMESTIC CONTRACTORS

NOTE:

Provisional sums (PS) and contingency allowances (CA) are not competitive elements of bidding, and should be excluded from Bid Comparison. Their inclusion can distort the evaluation process when preference is applied, as shown in the example below.

CASE 1: PS/CA Excluded:

	GROUP A	GROUP B
Corrected Bid Price	107	100
Less PS/CA	-20	-20
Adjusted Bid Price	87	80
Add 7 ½ % Preference	--	6
Evaluated Bid Price	87	86
Ranking Order	-2	-1

CASE 2: PS/CA Included:

Corrected Bid Price	107	100
Add 7 ½ % Preference	--	7.5
Evaluated Bid Price	107	107.5
Ranking Order	-1	-2

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SUGGESTED FORMAT OF BID EVALUATION REPORT FOR CIVIL WORKS (ICB)

1. Scope of contract and approximate cost / summary of recommendation:
 - Outline brief description of works covered by bid invitation.
 - Give summary of recommendations for award comparing project cost estimate with the actual cost of the proposed contract with explanations for difference.



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2. Bidding document:

Furnish the following details and discuss in brief:

- ❖ Approval by World Bank/Government;
- ❖ Variations from the approved document, if any;
- ❖ Specifications and drawings (approval);
- ❖ Implementation schedule and stipulated time for completion; and

- ❖ Important bidding conditions (in brief), such as, price adjustment, domestic preference, if any, etc. (Do not repeat them; briefly refer to them).

(Enclose copy of bidding document with amendments if any, if not sent earlier — Annex I)

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3. Bid Invitation Process:

Furnish the following details and discuss:

- ❖ Date of publication of General and Specific Procurement Notice in U. N. Development Business,
- ❖ Bid invitation advertisement in national newspapers and dates of publication * ;
- ❖ Period in which the bidding documents were made available for sale;
- ❖ Number of bidders who purchased the bidding documents and their nationality;
- ❖ Date of closing and extensions, if any;

3. Bid Invitation Process: (Contd...)

- ❖ Prebid conference (dates, place and attendance), minutes of meeting and resulting amendments, if any; and
 - Date and time of public bid opening, attendance, highlights of the bid opening meeting, etc. (Enclose copies of Bid Invitation, Prebid minutes, copies of amendments issued, minutes of bid opening - Annexes II, III, IV and V)
 - *Where bidders are prequalified, the reference to Bank's no objection to prequalification, no. of bidders prequalified, and the date of issue of bid invitation to them should be furnished.*

4. Bid response:

- ❖ State number of offers received and the nationality.
- ❖ Furnish details of offers received
- ❖ Check whether bids claiming domestic preference meet the criteria specified in ITB Clause 33.1 and comment with details [If they do not, re-classify]

Group: In time Late Total

Domestic

Others

Total

- ❖ Comment on the response (too few, expected number, more than expected and reasons thereof)
- ❖ Convert bid prices to Rupees (indicate exchange rates used and source — Annex VI)
- ❖ Furnish table of bid prices as read out at the bid opening meeting and as converted:

<u>Sl.No.</u>	<u>Name of bidder</u>	<u>Nationality</u>	<u>Bid price as quoted and read out</u>	<u>Bid price in Rupees</u>	<u>Remark</u>
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(Contd...)

5. Clarifications sought and responses received, if any after bid opening.

6. Preliminary examination of bids:

- ❖ Discuss preliminary examination for eligibility (ITB Clause 4), arithmetical errors, completeness, legal validity (has been properly signed and has submitted power of attorney etc.), bid validity, bid security and substantial responsiveness to commercial and technical aspects of bidding documents.
- ❖ List arithmetical errors and corrected bid prices.
- ❖ furnish details of all bids in Annexure VII.
- ❖ List the bids rejected as non-responsive at this stage.

<u>Sl. No.</u>	<u>Name of bidder</u>	<u>Bid price</u>	<u>Brief reasons for rejection</u>
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(Contd...)

- 7. Evaluation of substantially responsive bids:
 - ❖ State evaluation criteria and methodology cross referencing to bid documents, assumptions made, if any in evaluation (Annex VIII).
 - ❖ Discuss separately for domestic and other bidders conditions if any and loading of bid prices for accepted deviations for commercial and technical aspects.
 - ❖ Prepare evaluation table showing the rankings in ascending order as under:

Group		Name of Bidder	Rank	Bid Price in Rupees	Evaluated bid price in Rupees
Domestic	1				
	2				
	3				
Others	1				
	2				
	3				

(Contd...)

(Furnish details as in Annex IX)

- ❖ Discussion of offers:
 - ❖ Domestic bidders
 - ❖ Other bidders
 - ❖ Domestic preference
 - ❖ Determination of lowest evaluated responsive bid after taking into consideration domestic preference.
- 8. Subcontracting
 - ❖ Comment on subcontracting proposed and discuss qualification/experience of subcontractors determining whether it is acceptable.

Note: Sub-contracting for certain specialized elements of works is acceptable for carrying out the works more effectively; but vertical splitting of the works for sub-contracting is not acceptable (exception management contract).

(Contd...)

9. Postqualification/Verification for prequalified bidders:

- ❖ State criteria if any outlined in the bid document.
- ❖ Furnish actual qualification of selected bidder and determine whether the selected lowest evaluated responsive bidder is qualified to satisfactorily perform the contract.
- ❖ If the determination is negative, bid of the lowest bidder will have to be rejected and the next lowest evaluated bid considered to make a similar determination of bidder's capability to perform satisfactorily.

(Details in Annex X)

- ❖ Discuss bid capacity – Attach calculation sheet to show how they possess the capacity

(Contd...)

10. Construction Methodology:

- ❖ Discuss the proposed construction methodology and other details of the selected bidder [submitted by him in terms of Clause 16.1 of ITB] and comment on its acceptability.

11. Unbalanced Bids:

- ❖ Discuss whether recommended bid is balanced or you have proposed additional securities

12. Recommendations:

- ❖ Furnish important features of bid recommended for award such as:

- Advances
- Price adjustments, if any
- Performance security
- Additional security proposed for unbalanced bids, if any
- Bid validity
- Stipulated period of completion
- Other important terms and conditions

(Contd...)

13. Value of contract proposed for approval:
- Value of bid, currency wise
 - Total value of the bid.

(Enclose contract information sheet of selected bidder — Annex XI)

Signature of Evaluating Officer

Approval of Competent Authority

Enclosures (enclose only those which were not forwarded earlier):

1. Copy of bidding document (Annex I)
2. Copy of bid invitation and press advertisement (Annex II)
3. Prebid minutes (Annex III)
4. Copies of amendments issued (Annex IV)

(Contd...)

5. Minutes of bid opening (Annex V)
6. Currency exchange rate as published by competent authority (Annex VI)
7. Assessment of bids (Annex VII)
8. Assumptions made in evaluation (Annex VIII)
9. Comparative Statement of Offers (Annex IX)
10. Details of post-qualification/verification of prequalified bidders (Annex X)
11. Contract information of selected bidder (Annex XI)

ASSESSMENT OF BIDS Annex VII/1

Sl. No.	Particulars	Bidder 1	Bidder 2	Bidder 3	Bidder 4	Bidder 5
1	Name of Bidder					
2	Country of Origin					
3	Classification (Group A / B) Have you verified and established that bids claiming domestic preference do meet criteria stipulated in ITB Clause 33, If yes, attach details.					
4	Total Bid Price: (a) in Bid Currency/ Currencies (b) in Indian Rupees after conversion					
5	Credentials: Letter of Authorization					
6	Commercial Assessment*					
7	Technical Assessment*					
8	Decision on Responsiveness					
9	Capacity cum Capability* Assessment (Post / Pre Qualification)					

* For details see attachment.

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EVALUATION OF THE BIDS Annex VII/2

Analysis for Responsiveness of Bid:

Sl. No.				Name of Bidder 1	Name of Bidder 2	Name of Bidder 3
1	Validity of Bid	ITB	18			
2	Bid Security	ITB	19			
	5.1 Form of Bid Security					
	5.2 Bank and Branch					
	5.3 Expiry Date					
	5.4 Amount					
3	Letter of Authorization	ITB	20.2			
4	Bid Form	ITB	12			
5	Exceptions to Clauses, if any					
6	Price Adjustment, if any	ITB	14.5			
7	Bid Currency	ITB	15.1			
8	Unbalanced bids, if any	ITB	35.5			
9	Technical Deviations, if any					
10	Decision on Commercial Responsiveness					

Note: Add parameters as required to suit the item under procurement and as specified in your bidding document. -Change clause numbers to suit

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current document

POST QUALIFICATION

Annex X

	<u>Criteria as specified in the bidding document*</u>	<u>Bidder 1</u>	<u>Bidder 2</u>	<u>Bidder 3</u>
1.				
2.				
3.				
4.				

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POST QUALIFICATION

Annex X

	Criteria as specified in the bidding document *	Bidder1	Bidder2	Bidder3
1				
2				
3				
4				

Note: 1(). List all criteria specified in the bidding document and give comments on how bidder meets or fails in criteria.*

2. Give details for the recommended bidder and other lower bidders whose offer is evaluated as non-responsive / who have been determined as not meeting with this criteria.

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DETAILS OF RECOMMENDED OFFER

Annex XI

	RUPEES	FOREIGN CURRENCIES			Total In Rupees
		1	2	3	
1 Value of bid, currency-wise					
2 Advances: Mobilization/ Equipment					
3 Performance Security					
4 Additional Performance Security for unbalanced bids, if any					
5 Retention money					
6 Milestones to be achieved					
7 Liquidated damages for different milestones					

(See dummy evaluation reports for NCB civil works circulated)

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SUGGESTED FORMAT OF BID EVALUATION REPORT FOR GOODS & EQUIPMENT (ICB)

1. Scope of contract and approximate cost:
 - ❖ Outline brief description of Goods and Services covered by the bid invitation.
 - ❖ Compare the project cost estimate with the actual cost of the proposed contract with explanation for difference.
2. Bidding document:
 - Briefly discuss and indicate:
 - ❖ Details of approval by World Bank/Government
 - ❖ Variations from the approved document, if any
 - ❖ Specifications (Approval reference, if any)
 - ❖ Requirement of accessories/spares, if any
 - ❖ Delivery requirements
 - ❖ Important bidding conditions such as:
Do not repeat the condition; briefly refer to them.

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SUGGESTED FORMAT OF BID EVALUATION REPORT FOR GOODS & EQUIPMENT (ICB)

Contd..

- ❖ price adjustment

- ❖ loading for:
 - (a) delivery schedule
 - (b) payment schedule
 - (c) performance and productivity
 - (d) operating and maintenance costs

- ❖ domestic preference

[Enclose copy of bidding documents and amendments if any, if not sent earlier (Annex I)]

SUGGESTED FORMAT OF BID EVALUATION REPORT FOR GOODS & EQUIPMENT (ICB)

Contd..

3. Bid invitation process:

Furnish the following details:

- ❖ Date of publication of General and Specific Procurement Notice in UN Development Business
- ❖ Bid invitation advertisement in national News papers and dates of publication
- ❖ Period in which the bidding documents were made available for sale
- ❖ Number of firms who purchased the bidding documents and their nationality
- ❖ Date of closing and extensions, if any
- ❖ Pre-bid conference (date, place and attendance), minutes of meeting and resulting amendments, if any; and
- ❖ Date and time of public bid opening, attendance, highlights of the bid opening meeting etc.

[Enclose copies of Bid Invitation, Prebid minutes, copy of amendments issued and minutes of bid opening (Annexes II, III, IV and V).]

SUGGESTED FORMAT OF BID EVALUATION REPORT FOR GOODS & EQUIPMENT (ICB)

Contd..

4. Bid response:
- ❖ State number of offers received and the nationality
 - ❖ Furnish details of offers received along with comments on bidder's classification of bids
 - ❖ Check whether the bids claiming the domestic preference meet the criteria specified in ITB Clause 35.1-(evaluation criteria) and comment on this with details. If they do not meet re-classify them.

<u>Group</u>	<u>In Time</u>	<u>Late</u>	<u>Total</u>	<u>Comments</u>
--------------	----------------	-------------	--------------	-----------------

A

B

C

Total :

(Note: Group A & B Bidders should quote ex-factory, ex-showroom, ex-warehouse or Off-the-Shelf as applicable and not as partly CIF covering imported components and partly on ex-factory covering local costs. Group C Bidder can quote vice versa)

SUGGESTED FORMAT OF BID EVALUATION REPORT FOR GOODS & EQUIPMENT (ICB)

Contd..

- ❖ Comment on the response (too few, expected number, more than expected, and reasons thereof)
- ❖ Convert bid prices to Indian Rupees (indicate exchange rates used and source — Annex VI)
- ❖ Furnish Table of bid prices as read out at bid opening (in ascending order):

<u>Sl.No</u>	<u>Name of Bidder</u>	<u>Nationality</u>	<u>Bid price as quoted and read out</u>	<u>Bid price in Rupees</u>	<u>Remarks</u>
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5. Clarifications sought and responses received, if any, after bid opening:

SUGGESTED FORMAT OF BID EVALUATION REPORT FOR GOODS & EQUIPMENT (ICB)

6. Preliminary examination of bids: **Contd..**
- Discuss preliminary examination for eligibility (ITB Clause 4), arithmetical errors, completeness, legal validity (has been properly signed and has submitted power of attorney etc.), bid validity, bid security and substantial responsiveness to commercial and technical aspects of bidding documents.
 - List arithmetical errors and corrected bid prices
 - List reservations if any of Group A bids to the note on deemed export benefits (Clause 14.6 (a) of ITB) and discuss responsiveness of such offers.
 - Furnish details of all bids in Annexure - VII.
 - List the bids rejected as non-responsive at this stage.

<u>Sl. No.</u>	<u>Name of Bidder</u>	<u>Bid Price</u>	<u>Brief Reasons</u>
----------------	-----------------------	------------------	----------------------

SUGGESTED FORMAT OF BID EVALUATION REPORT FOR GOODS & EQUIPMENT (ICB)

7. Evaluation of substantially responsive bids: **Contd..**
- ❖ State evaluation criteria, methodology cross referencing to bid documents, assumptions, if any, made in evaluation (Annex VIII).
 - ❖ Discuss briefly offers and adjustments, if any:
 - Commercial aspects:
 - omissions
 - inland transportation
 - delivery schedule
 - deviation in payment schedule
 - spare parts
 - operation and maintenance
 - performance and productivity etc.
 - Technical aspects:
 - efficiency
 - productivity
 - training etc.

SUGGESTED FORMAT OF BID EVALUATION REPORT FOR GOODS & EQUIPMENT (ICB)

Contd..

- Prepare evaluation table showing all adjustments and ranking as under:

<u>Group</u>	<u>Rank</u>	<u>Name of bidder/ Manufacturer/Agent</u>	<u>Evaluated CIP destination price in Rupees</u>
A	1		
	2		
	3		
B	1		
	2		
	3		
C	1		
	2		
	3		

(Details in Annex IX)

- **Brief discussion of offers:**
 - **Group A**
 - **Group B**
 - **Group C**

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SUGGESTED FORMAT OF BID EVALUATION REPORT FOR GOODS & EQUIPMENT (ICB)

Contd..

- ❖ Determination of the lowest evaluated responsive bidder from Groups A and B.
 - ❖ Discuss application of domestic preference with justification of domestic bids' eligibility for preference.
 - ❖ Determination of the lowest evaluated responsive bid from Groups A, B and C for award by taking into account domestic preference.
 - 8. Post qualification:
 - ❖ State criteria, if any, outlined in the bid document.
 - ❖ Discuss actual qualification of selected bidder to demonstrate whether the selected lowest evaluated responsive bidder is qualified to satisfactorily perform the contract. (If the determination is negative, lowest bid will have to be rejected and the next lowest evaluated bid considered for a similar determination of bidder's capability to perform satisfactorily.)
- (Details in Annex X)

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**SUGGESTED FORMAT OF BID EVALUATION REPORT FOR
GOODS & EQUIPMENT (ICB) Contd...**

9. Recommendations:

- ❖ Furnish important features of recommended bid such as:
 - Bidders name
 - Model, quantity and total bid price for:
 - basic machine
 - list of tools
 - list of special accessories
 - list of 2 years maintenance spares
- Total:_____ (in currency of bid)

**SUGGESTED FORMAT OF BID EVALUATION REPORT FOR
GOODS & EQUIPMENT (ICB) Contd...**

- ❖ Source of origin
 - Payment terms
 - Agency commission
 - Delivery
 - Inspection
 - Insurance
 - Freight
 - Performance security
 - Specifications
 - Other important terms and conditions
 - Date of expiry of validity of the selected bid.
(Enclose contract information sheet of selected bidder, Annex XI)

Signature of Evaluating officer
Approval of competent Authority

Enclosures (enclose only those which were not forwarded earlier):

1. Copy of bidding document (Annex I)
2. Copy of bid invitation and press advertisement (Annex II)
3. Prebid minutes (Annex III)
4. Copies of amendments issued (Annex IV)
5. Minutes of bid opening (Annex V)
6. **Currency exchange rate as taken (Annex VI)**
7. Details of assessment of bids (Annex VII)
8. Assumptions made in evaluation (Annex VIII)
9. Evaluated bid prices of offers (Annex IX)
10. Details of post-qualification (Annex X)
11. Contract information of selected bidder (Annex XI)

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EVALUATION OF THE BIDS

ANNEX VII/1

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EVALUATION OF THE BIDS

ANNEX VII/2

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EVALUATION OF THE BIDS

ANNEX VII/4

[Link for Annex VII/4](#) [1 Page]



Brief details of Assumptions made in Evaluation

a)

b)

c)

d)

Comparative Statement of Responsive Offers

ANNEX XI , X, XI

[Link to Annex IX, X and XI \[4 pages\]](#)



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