



NLC INDIA LIMITED
OFFICE OF THE CHIEF GENERAL MANAGER/CONTRACTS
CORPORATE CONTRACTS DIVISION, CORPORATE OFFICE
BLOCK-1, NEYVELI – 607 801, TAMIL NADU



CIRCULAR

Circular No. CGM/Contracts/PQR Standardization/2023

Date: 16.05.2023.

Sub: Systemic Improvements – Standardized PQR Conditions to be adopted by NLCIL Units – Reg.

- 1.0 A study was carried out by Vigilance Department on Pre-Qualification Requirements [PQR] value and conditions adopted in various types of Contracts followed by NLCIL Units and suggested to evolve standardized uniform PQR conditions and values for same and similar nature works, as a part of Systemic Improvement.
- 2.0 Accordingly, the following guidelines are issued on Standardized PQR conditions & values for compliance by NLCIL Units:

COMMON PQR CRITERIA TO BE ADOPTED BY ALL UNITS / DIVISIONS :

2.1. For tenders of value Rs.25 lakhs & above:

2.1.1 CIVIL CONSTRUCTION / BUILDING WORKS:

The bidder should have completed any Civil Construction / Building Work within the last (7) Seven years prior to the original scheduled date of tender opening in any Government / Quasi Government / PSU / PSE / Public Limited Company, in their own name / in the name of any one of the partners, as given below.

- a) One work of completed value not less than 80% of tender value in a single Contract agreement / work order.
- (or)
- b) Two works of completed value each not less than 50% of tender value in two Contract agreements / work orders.
- (or)
- c) Three works of completed value each not less than 40% of tender value in three Contract agreements / work orders.

2.1.2 WATER SUPPLY / DRAINAGE WORKS:

The bidder should have executed any Civil Construction / Building Work / Water Supply Work / Drainage Work within the last (7) Seven years prior to the original scheduled date of tender opening in any Government / Quasi Government / PSU / PSE / Public Limited Company, in their own name / in the name of any one of the partners, as given below.

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- a) One work of executed value not less than 80% of tender value in a single Contract agreement / work order.
(or)
- b) Two works of executed value each not less than 50% of tender value in two Contract agreements / work orders.
(or)
- c) Three works of executed value each not less than 40% of tender value in three Contract agreements / work orders.

2.1.3 CIVIL MAINTENANCE WORKS:

The bidder should have executed any Civil Construction / Building Work / Civil Maintenance Work within the last (7) Seven years prior to the original scheduled date of tender opening in any Government / Quasi Government / PSU / PSE / Public Limited Company, in their own name / in the name of any one of the partners, as given below.

- a) One work of executed value not less than 80% of tender value in a single Contract agreement / work order.
(or)
- b) Two works of executed value each not less than 50% of tender value in two Contract agreements / work orders.
(or)
- c) Three works of executed value each not less than 40% of tender value in three Contract agreements / work orders.

2.1.4 MANPOWER SUPPLY / HOUSEKEEPING / UPKEEPING / VEGETATION REMOVAL WORKS:

The bidder should have executed any work within the last (7) Seven years prior to the original scheduled date of tender opening in any Government / Quasi Government / PSU / PSE / Public Limited Company, in their own name / in the name of any one of the partners, as given below.

- a) One work of executed value not less than 80% of tender value in a single Contract agreement / work order.
(or)
- b) Two works of executed value each not less than 50% of tender value in two Contract agreements / work orders.
(or)
- c) Three works of executed value each not less than 40% of tender value in three Contract agreements / work orders.

2.1.5 HORTICULTURE / AGRICULTURE / ARBORICULTURE / LAWN MAINTENANCE / AFFORESTATION / TREE PLANTATION WORKS :

The bidder should have executed any Horticulture / Agriculture / Arboriculture / Lawn Maintenance / Afforestation / Tree Plantation Work within the last (7) seven years prior to the original scheduled date of tender opening in any Government / Quasi Government / PSU / PSE / Public Limited Company, in their own name / in the name

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of any one of the partners, as given below.

- a) One work of executed value not less than 80% of tender value in a single Contract agreement / work order.

(or)

- b) Two works of executed value each not less than 50% of tender value in two Contract agreements / work orders.

(or)

- c) Three works of executed value each not less than 40% of tender value in three Contract agreements / work orders.

2.1.6 ROAD WORKS / ROAD MAINTENANCE WORKS:

The bidder should have executed any Road Work / Road Maintenance Work within the last (7) seven years prior to the original scheduled date of tender opening in any Government / Quasi Government / PSU / PSE / Public Limited Company, in their own name / in the name of any one of the partners, as given below.

- a) One work of executed value not less than 80% of tender value in a single Contract agreement / work order.

(or)

- b) Two works of executed value each not less than 50% of tender value in two Contract agreements / work orders.

(or)

- c) Three works of executed value each not less than 40% of tender value in three Contract agreements / work orders.

2.1.7 GENERAL ELECTRICAL WORKS / ELECTRICAL MAINTENANCE WORKS:

- i. The bidder should have executed any Electrical work / Electrical Maintenance work within the last (7) seven years prior to the original scheduled date of tender opening in any Government / Quasi Government / PSU / PSE / Public Limited Company, in their own name / in the name of any one of the partners, as given below.

- a) One work of executed value not less than 80% of tender value in a single Contract agreement / work order.

(or)

- b) Two works of executed value each not less than 50% of tender value in two Contract agreements / work orders.

(or)

- c) Three works of executed value each not less than 40% of tender value in three Contract agreements / work orders.

- ii. The bidder should have valid Electrical License (Level viz., ESA / EA / ESB / EB etc., to be specified by the concerned User Division related to the nature of work) issued by any Electrical License issuing authority.

- iii. In case the certificate is under renewal, documentary evidence for the same shall be enclosed in the bid documents.

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2.1.8 SERVICING / MAINTENANCE OF WEIGHBRIDGES:

i. The bidder should have executed any Servicing / Maintenance Work for weighbridges within the last (7) seven years prior to the original scheduled date of tender opening in any Government / Quasi Government / PSU / PSE / Public Limited Company, in their own name / in the name of any one of the partners, as given below.

a) One work of executed value not less than 80% of tender value in a single Contract agreement / work order.

(or)

b) Two works of executed value each not less than 50% of tender value in two Contract agreements / work orders.

(or)

c) Three works of executed value each not less than 40% of tender value in three Contract agreements / work orders.

ii. The Bidder should possess valid repairer license for the weighbridge.

2.1.9 MAINTANENCE WORKS OF SME, CONVEYOR, GWC & MECHANICAL SERVICES:

The bidder should have executed any Machinery Mechanical Work as part / unit involving fabrication / assembly / dismantling / re-erection / erection / reconditioning or any machinery Mechanical maintenance work within the last (7) seven years prior to the original scheduled date of tender opening in any Government / Quasi Government / PSU / PSE / Public Limited Company, in their own name / in the name of any one of the partners, as given below.

a) One work of executed value not less than 80% of tender value in a single Contract agreement / work order.

(or)

b) Two works of executed value each not less than 50% of tender value in two Contract agreements / work orders.

(or)

c) Three works of executed value each not less than 40% of tender value in three Contract agreements / work orders.

2.2. For all tenders of value less than Rs.25 lakhs:

The bidder should have executed any (as applicable) work within the last (7) Seven years prior to the original scheduled date of tender opening in any Government / Quasi Government / PSU / PSE / Public Limited Company, in their own name / in the name of any one of the partners for a value not less than 40% of the tender value in a single agreement.

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2.3. FINANCIAL CRITERIA COMMON FOR ALL UNITS:

2.3.1 For tenders with estimate value less than Rs.50 Lakhs, Financial Criteria viz. Turnover and Net Worth need not be specified.

2.3.2 For tenders with estimate value of Rs.50 Lakhs and above:

(Note: For any work with time schedule upto 1 month, the requirement of financial criteria shall be decided with approval of competent authority.)

- i. a) Average Annual turnover of the bidder for the 3 financial years immediately preceding the original scheduled Tender Opening date, should not be less than Rs..... (30% of the annualized tender value).
b) In case, if a bidder meets the technical QR but could not furnish his / their audited financial statement of three consecutive financial years preceding the last financial year for evaluating the average Annual turnover, due to the incorporation / formation of the bidder, with in a period of less than 3 years from the original scheduled date of tender opening, then, such bidder shall also be considered and the Average annual turnover of such bidder shall be arrived at as below:
 - If the bidder furnished audited financial statement (Profit & Loss Account and Balance Sheet) for the last financial year only, then such bidder's average Annual turnover shall be arrived at by dividing the Turnover of the last financial year by three.
 - If the bidder furnished audited financial statement (Profit & Loss Account and Balance Sheet) for the last two financial years only, then the bidder's average Annual turnover shall be arrived at by dividing the sum of Turnover of last two financial years by three.
- ii. The Bidder shall have positive Net worth as per their latest audited financial statement.
- iii. In cases, where audited financial statement (Profit & Loss Account and Balance Sheet) for the last financial year immediately preceding the original schedule date of Tender opening are not available, a certificate would be required from the bidder stating that the Financial statement of the bidder are under audit as on the date of tender opening. In such case, the audited financial statement of three consecutive financial years preceding the last financial year shall be considered for evaluating the financial parameters.

Note for Internal Use:

i. Example for arriving at Annualized Tender value:

- a. If Tender value is Rs.1.00 Cr and period / duration of work is 1 year then the Annualized tender value is Rs. 1.00 Cr. and 30% of annualized tender value is Rs.30.00 Lakh (Rs. 1.00 Cr x 30% x 12 / 12 months).
- b. If Tender value is Rs.1.00 Cr and period / duration of work is 2 years (24 Months), then the Annualized tender value of Rs. 50.00 Lakh and 30% of

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annualized tender value is Rs. 15.00 Lakh (Rs. 1.00 Cr x 30% x 12 / 24 months).

- c. If Tender value is Rs.1.00 Cr and period / duration of work is 6 months, then the Annualized tender value is Rs. 2.00 Cr. and 30% of annualized tender value is Rs. 60.00 Lakh (Rs. 1.00 Cr x 30% x 12 / 6 months).

ii. Calculation of Average Annual Turnover:

Turnover shall be taken as Revenue from operation as stated in Financial Statement of the Bidder excluding other income.

iii. a) Net Worth Calculation for the Companies:

Net worth = Paid-up Share capital + Share Application Money Pending allotment + Reserves – Accumulated losses – Deferred expenditure to the extent not written off.

(Reserves to be considered for the purpose of Net Worth shall be all Reserves created out of the profits and securities premium account but shall not include Reserves created out of revaluation of assets, write back of depreciation and amalgamation.)

b) Net Worth Calculation for Proprietor and Partnership Firm:

Net Worth = Total Assets – Total Liabilities

2.4. CONDITIONS w.r.t PARTNERSHIP FIRM:

- i. In case of bid submitted by any partnership firm, the pre-qualification work experience of partnership firm / any of the Partners of the firm shall be considered for evaluation. However, the financial Turn Over and Net Worth requirement, if any specified shall be fulfilled by the Partnership firm only.
- ii. If the bidder is a partnership firm, the partner on whose pre-qualification the work was awarded, shall not withdraw from the partnership till the completion of the work in case they happened to be the successful bidder. If there is any reconstitution of the partnership, it is the responsibility of the firm to intimate the same to NLCIL immediately. Otherwise the contract will be liable for termination at the risk & cost of the contractor.
- iii. If the work experience is furnished in the name of any of the partner of Partnership Firm, to satisfy the prescribed pre-qualification requirement in the tender, a declaration / undertaking from that partner as “I shall not withdraw from the partnership till the completion of the work, in case our firm happened to be the successful bidder” is to be enclosed along with the bid in Cover-I.
- iv. In case of a bidder being a partnership firm and using the PQR of a Partner to qualify in the tender and if the same PQR is used by more than one bidder for the same tender, all the bidders using the same PQR will be disqualified.
- v. In case, a bid is submitted by a partnership firm, any partner(s) of that Partnership firm cannot bid separately for the same Tender. If the Bid is submitted by both the

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partnership firm & any partner(s) of that Partnership firm in the same tender, the bids of the Partnership firm and partner(s) will be disqualified.

2.5. For the Thermal Units:

For the Thermal units, the PQR for Civil Maintenance / Construction works, House keeping / Up keeping works, Vegetation Removal works and Lawn Maintenance / Horticulture works are bought under common PQR to be adopted for all Units.

For other works specific to Thermal Units like LHS, AHS, Electrical, Turbine, WCTP etc., the PQR recommended by Thermal Standing QR Committee, which are being adopted at present can be continued as such by all Thermal Units uniformly.

2.6. For the Mines Units / Divisions:

a) For the Mines Units, the PQR for Civil Construction/Building Works, Water Supply/Drainage Works, Civil Maintenance Works, Manpower Supply/ Housekeeping/ Upkeeping/ Vegetation Removal Works, Horticulture/ Agriculture/ Arboriculture/ Lawn Maintenance/ Afforestation/ Tree Plantation Works, Road Works/ Road Maintenance Works, General Electrical Works/ Electrical Maintenance Works, Servicing/Maintenance of Weighbridges, Maintenance Works of SME/ Conveyor/ GWC/ Mechanical Services, are brought under common PQR to be adopted for all Units/Divisions.

b) For other specific works which are not covered under para 2.6(a) above in Mines Units in respect of Divisions like SMD, Production, SME, Conveyor, Mechanical Services, GWC, Electrical, Geology, Planning, HR, Computer Services etc., the QR being adopted in the previous similar work can be considered along with 80%, 50%, 40% QR criteria and Financial Criteria as in para 2.3.

For the works pertaining to Mines Units, a Standing Committee for QR represented by respective Zonal Head, Head of Contracts, Head of Finance/Mines, may be constituted and approval of Competent Authority shall be obtained.

In case of any requirement of change in QR either due to less participation of Bidders or due to any other reason, the Mines Standing Committee for QR can recommend the revised QR to be adopted by all Mines Units, based on the inputs given by Indenting units.

2.7. General:

The above PQR guidelines are based on the nature of works and the required technical & financial capability of the bidders for their qualification keeping in view the guidelines of CVC on Pre-qualification Criteria.

However, the PQR guidelines may be suitably modified depending upon requirement, if considered necessary with approval of Competent Authority as per DOP. While framing the PQR conditions, guidelines of CVC as given below shall be kept in view:

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➤ CVC OM Dt. 17th December 2002 :

“While framing the prequalification criteria, the end purpose of doing so should be kept in view. The purpose of any selection procedure is to attract the participation of reputed and capable firms with proper track records. The PQ conditions should be exhaustive, yet specific. The factors that may be kept in view while framing the PQ Criteria includes the scope and nature of work, experience of firms in the same field and financial soundness of firms.”

➤ CVC OM Dt. 07th May 2004 :

“Guidelines were prescribed in this office OM of even number dated 17 / 12 / 2002, on the above-cited subject to ensure that the pre-qualification criteria specified in the tender document should neither be made very stringent nor very lax to restrict / facilitate the entry of bidders. It is clarified that the guidelines issued are illustrative and the organizations may suitably modify these guidelines for specialized jobs / works, if considered necessary. However, it should be ensured that the PQ criteria are exhaustive, yet specific and there is fair competition. It should also be ensured that the PQ criteria is clearly stipulated in unambiguous terms in the bid documents.”

3.0 The above guidelines shall be scrupulously followed by all concerned Units and shall be applicable for all those tenders to be floated from 16.05.2023.

This is issued with the approval of Competent Authority.


General Manager
Corporate Contracts
NLCIL
16/5/23

To: All Unit Heads / Project Heads

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Copy submitted to

ED: Finance/HR/Safety/ Mines/Thermal/Contracts, MM & Disposal, Civil-CTO & CEC/PBD & REPP/SME, Conveyor, Land, LTM project & Mine-III/ MS, CPPM & CARD/ PR & Liaison/ PHBP/ NTPL

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