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TENDER EVALUATION FOR WORKS CONTRACT EXCEEDING RM 1 M.

1. Information of the Tenderer's Financial Standing and Technical Capacity

1.1 Tenderers are to take note that the evaluation of Tender shall take into consideration and regard with importance to Tenderer's ability to execute the work besides the reasonableness of the Tender Sum. The Tenderer's capability will therefore be assessed based on the financial capacity, construction experience, technical staff, availability of plant/equipment and the current performance of the Tenderer at the time of tender.

1.2 To enable the evaluation to be carried out, Tenderers are required to furnish the following documents with their Tenders:

- i. The Company's Statement of Accounts (Balance Sheet), audited by a certified Public Accountant, for the last two (2) financial years.
- ii. Monthly Bank Statements of the Tenderer's cash in hand for the last three (3) months prior to date of closing of tender.
- iii. Confidential report from Bank/Financial Institution regarding Tenderer's financial standing using the standard format in a sealed envelope.
- iv. Copies of the Completion Certificates for each of the works completed.
- v. A copy of the EPF contribution Statement for the last month and the names of each technical staff.
- vi. Copies of certificates/qualifications of each technical staff in Category A and B.
- vii. Copies of the Registration Certificates or other documents to prove the ownership or leasing agreements for all plant and equipment.

1.3 The above documents are of vital importance for the evaluation of the capability of the Tenderer. If the Tenderer fails to submit all the documents especially documents (i) and (ii) above, the tender shall be disqualified and shall not be given further consideration.

1.4 If the Tenderer fails to submit any or part of the document (iii), (iv), (v), (vi) and (vii), the information/data contained in the relevant forms which cannot be verified due to insufficient documents shall be treated as invalid and shall not be considered for the evaluation of the Tenderer's

capacity, unless the information gives a negative value to the Tenderer's capacity.

1.5 In addition to the above documents, the Tenderer is also required to complete and submit with the Tender all Supporting Documents i.e.:

- a) Document a) - Background Information of Tenderers
- b) Document b) - Financial Data
- c) Document c) - Experience Record
- d) Document d) - List of Current Contracts
- e) Document e) - Technical Staff
- f) Document f) - List of Construction Plant and Equipment
- g) Document g) - Work Programme Chart

The forms must be filled with true information and accurate data. If necessary, additional sheets may be attached.

1.6 Tenderers who tender in joint-ventures of two or more companies are each required to complete all the forms and submit the supporting documents separately.

1.7 All the above information and documents must be submitted together with the Tender on or before the closing date of Tender. All information and documents submitted later than the closing date of Tender shall not be considered for evaluation of the Tenderer's capacity.

1.8 If a Tenderer is found to have submitted false information of intentionally withheld information bearing a negative impact towards his capacity, his Tender shall be automatically disqualified and disciplinary action shall be recommended upon him.

2. Tender Evaluation Criteria

Evaluation of Tenders will be carried in three stages as follows:

2.1 Preliminary Evaluation (Stage 1) of the short-listed tenders shall be carried out to assess the following:

- i. Conformity with tender requirements
- ii. Sufficiency of Compulsory Documents – Tenderers are reminded that it is highly important to furnish all particulars called for as their technical and

financial capability to perform the Contract will be evaluated mainly based on the information provided. In this respect, the following documents have been designated as **Compulsory Documents** which must be submitted by the Tenderer in order for their Tender to be considered, i.e.

- a. Copy of the Company's Statement of Accounts (Balance Sheet) which has been audited by a certified public accountant for the last two (2) financial years.

or

Copy of the monthly bank statement for the last three (3) months before closing of Tender

and

- b. List of Current Contracts at the time of Tender to be filled in Volume 2, Supporting Document.

Tenderer who fail to submit the above compulsory documents or who submit incomplete/false information shall result in the disqualification or rejection of their Tender.

- iii. Satisfactory performance of current works – Tenderer whose performance on any current project is unsatisfactory, i.e. where progress in 30% or more behind schedule or facing determination action, shall be rejected and not given further consideration.

Only Tenderers who pass Stage 1 evaluation shall be assessed in the next stage. Tenderers who fail to comply with any of the prerequisites (i), (ii) or (iii) above shall not be eligible for further consideration.

2.2 Evaluation of Tenderer's Capacity (Stage 2) is carried out on short-listed Tenderers who have passed Stage 1. The following factors are used to assess the Tenderer's capability to execute the Works:

- i. Financial Capacity – the evaluation is based on the minimum capital requirement and shall be calculated as follows:

$$TWC = AWC - 2(MV)$$

Where TWC = Total Working Capital
available to finance this Contract

AWC = Available Working Capital, i.e.
Working Capital as shown in the balance sheet or
the average of monthly bank statements for the last
3 months plus any available credit facilities from
bank or financial institutions.

MV = Monthly Value of uncompleted portion of
current works.

The Tenderer's capacity is evaluated based on the
ratio of TWC compared to the minimum capital
required for the project being tendered, which shall
be taken as **5% of the Tender Amount**.

- ii. Technical Capability – the following factors are used to assess the
Tenderer's technical capacity:
 - a. Experience in executing Works of similar and/or
comparable nature.
 - b. Technical Personnel : this factor is assessed based on the
number of technical personnel in the employment of the
Tenderer and their respective experience compared to the
Estimated Minimum Requirement (EMR) to carry out the
Works satisfactorily.
 - c. Plant and Equipment : the Tenderer should show
documentary proof that he has the capability to mobilise
the number and type of plant and equipment required for
proper execution of the Works. Relevant
documents/registration certificates shall be submitted to
prove the ownership of such plant/equipment. The Tenderer
should also substantiate leasing or hiring arrangements with
proper documentary evidence if he proposes to use hired or
leased plant.

2.3 Stage 3 involves the overall evaluation of the short-listed Tenderers
and determination of the most beneficial tender for recommendation.