

Annexure- 1

A. Financial qualification criteria:

- 1) The Average Annual Turnover of the bidder shall not be less than Rs. _____ (30 % of Estimated cost) during the preceding **three (3)** financial years as one date of Techno-Commercial bid opening.
- 2) Net worth of the bidder shall not be less than 100% of the bidder's paid- up share capital as on the last day of the preceding financial year. In case the Bidder meets the requirement of Net worth based on the strength of its Subsidiary (ies) and/or Holding company and/or Subsidiaries of its Holding Companies wherever applicable, the Net worth of the Bidder and its Subsidiary (ies) and/or Holding company and/or Subsidiary (ies) of the Holding Company, in combined manner should not be less than 100% of their total paid up share capital. However individually, their Net worth should not be less than 75% of their respective paid share capitals.

Net worth in combined manner shall be calculated as follows:

Net worth (combined)= $(x1+x2+X3)/(y1+y2+y3) \times 100$, where x1, x2, x3 are individual net worth which shall not be less than 75 % of the respective paid-up share capitals and y1, y2, y3 are individual paid up share capitals.

- 3) In case the bidder is not able to furnish its audited financial statements on stand-alone entity basis, the unaudited unconsolidated financial statements of the bidder can be considered acceptable provided the bidder further furnishes the following documents for substantiation of its qualification.
 - Copies of the unaudited unconsolidated financial statements of the bidder along with copies of the Audited consolidated financial statements of its Holding Company.
 - A Certificate from the CEO/CFO of the Holding Company, stating that the unaudited unconsolidated financial statements form part of the Consolidated Annual Report of the company.
- 4) In cases where audited results for the last preceding financial year as on the date of techno-commercial bid opening are not available, the financial results certified by a practicing Chartered Accountant shall be considered acceptable. In case, Bidder is not able to submit the Certificate from practicing Chartered Accountant certifying its financial parameters, the audited results of three consecutive financial years preceding the last financial year shall be considered for evaluating the financial parameters. Further, a Certificate would be required from the CEO/CFO, stating that the financial results of the Company are under audit as on the date of Techno-commercial bid opening and the Certificate from the practicing Chartered Accountant certifying the financial parameters is not available.

5) The bidder must submit Average Annual Turnover and Net worth Certificate in support of Financial QR, duly certified and verified for authenticity from Independent Statutory Auditor of their company / Practicing Chartered Accountant/ C.A. Firms / TPIA (Third-Party Inspection Agency) empaneled / approved by GSECL along with copy of Annual Audited Accounts of last three years

Note for point No.1, 2, 3 &4:

- i. Other income shall not be considered for arriving at annual turnover.
- ii. "Holding Company" and "Subsidiary Company" shall have the meaning ascribed to them as per Companies Act of India, in vogue.
- iii. Net worth means the sum total of the paid-up share capital and free reserves. Free reserve means all reserves credited out of the profits and share premium account but does not include reserves credited out of the revaluation of the assets, write back of depreciation provision and amalgamation. Further, any debit balance of Profit and Loss account and miscellaneous expenses to the extent not adjusted or written off, if any, shall be reduced from reserves and surplus.