

## **FINANCIAL COMPETENCE AND ACCESS TO FINANCIAL RESOURCES**

The financial position of the bidder shall be checked as per following details:

### **1. SOUNDNESS AND ACCESS TO FINANCIAL RESOURCES (CASH FLOW)**

The Bidder must demonstrate access to, or availability of, financial resources such as liquid assets, unencumbered real assets, lines of credits\*, and other financial means, other than any contractual advance payments, to meet the financial requirements of the contract in the amount to satisfy the Cash Flow requirement. As a minimum the Bidder must show that his resources, in term of at least his latest year's working capital and line of credits, will be adequate to cover an amount equivalent to his bid price and current work commitments i.e.

[Three Years Average Working Capital + Project      **As per NIT**  $\geq$   
specific Credit line Facility – One month's average  
invoicing of current contract commitments]

Working capital is the difference between current assets and current liabilities and measures the firm's ability to generate cash in the short term.

*\*Any Credit Line Facility indicated for this Contract needs to have been certified by the Bank for the Contract and the said certificate(s) be enclosed with this Appendix.*

### **2. AVERAGE ANNUAL CONSTRUCTION TURNOVER**

<b>Criteria</b>	<b>Bidders' to list their certified yearly Construction Turnover for last 3 years</b>
Minimum Average Annual Construction Turnover of Pak. Rupees <b>As per NIT</b> calculated as total certified payments received for contracts in progress or completed, within the last 3years.	