Landscaping & Beautification Works (Grade AA-International)

1- Eligibility:

- Covered in CED Pre-Qualification Application Requirements.

2- Organization & Human Recourses:

- Minimum No. of manpower **80**
- Minimum No. of Technical Recourse:

Technical Staff Specialty	Minimum No. Required	Minimum No. of Years of overall Experience Required (per Each)	Minimum No. of Years of Experience in the Application Field Required (for each)
Agricultural Engineer / Horticulturist / Agriculturist	1	10	5
Agriculture Engineering Technician	1	8	5
Civil Engineer	1	7	5
Electrical Engineer Technician	1	7	5
Mechanical / Irrigation Engineer Technician	1	5	5
Civil Engineering Technician	1	5	5
Safety Officer	2	5	5

- Engineers should be certified (BSc Certificate in the engineering field) and Licensed (CRPEP equivalent) as Engineers in their company headquarter country.
- Technicians should be certified (BSc or Diploma Certificate in engineering field) or an equivalent approved by Ministry of Works / Municipalities Affairs and Agriculture.
- Safety Officer should have Certificates (Managing Safety from IOSH or NEBOSH international General Certificate in occupational Health & Safety (completing IGC1, IGC2 & IGC3) or an equivalent approved by Ministry of Works / Municipalities Affairs and Agriculture.

3- Experience:

- Minimum Completion of one Project in the application field in the last 3 years valued equal or more than **BD 600,000/-.**
- Minimum **5** Projects completed in the field of application in the last 3 years.
- Minimum no. of **8** years' experience in the field of application.
- Satisfactory performance appraisal of the ongoing or completed MUN Projects (if the contractor is involved in any project with MUN as a party).

4- Plant & Equipment owned/ Leased:

Name of the Equipment	Min. no. required	Name of the Equipment	Min. no. required
Nursery (plants & seasonal flower)	1	Pump 4"x 4"(suction& delivery)	2
Lawn tractor (20hp power)	4	Water Tanker	2
Lawn mower (6hp power)	10	Six-wheel truck	3
Compressor	3	Pick up truck	3
Hedges cutter	10	Van(6person)	2
compressor	3	JCB (excavator)	2
Agriculture sprayer machine	2	High up	2
Generator	2		

- Owned/Leased Basic Plant Relevant to the field of application.

Prequalification Technical Criteria for

Landscaping & Beautification Works (Grade AA)

1- Eligibility:

- Covered in CED Pre-Qualification Application Requirements.

2- Organization & Human Recourses:

- Minimum No. of manpower **70**
- Minimum No. of Technical Recourse:

Technical Staff Specialty	Minimum No. Required	Minimum No. of Years of overall Experience Required (per Each)	Minimum No. of Years of Experience in the Application Field Required (for each)
Agricultural Engineer / Horticulturist / Agriculturist (w/ CRPEP License)	1	5	5
Civil Engineer (w/ CRPEP License)	1	5	5
Agriculture Engineering Technician	1	5	5
Civil Engineering Technician	2	5	5
Mechanical / Irrigation Engineer Technician	1	5	5
Safety Officer	1	5	5

- Technicians should be certified (BSc or Diploma Certificate in engineering) or an equivalent approved by Ministry of Works / Municipalities Affairs and Agriculture.
- Safety Officer should have Certificates (Managing Safety from IOSH or NEBOSH international General Certificate in occupational Health & Safety completing IGC1, IGC2 & IGC3) or an equivalent approved by Ministry of Works / Municipalities Affairs and Agriculture.

3- Experience:

- Minimum Completion of one Project in the application field in the last 5 years valued equal or more than **BD 300,000/-.**
- Minimum **3** Projects completed in the field of application in the last 5 years.
- Minimum no. of **5** years' experience in the field of application.
- Satisfactory performance appraisal of the ongoing or completed MUN Projects (if the contractor is involved in any project with MUN as a party).

4- Plant & Equipment owned/ Leased:

Name of the Equipment	Min. no. required	Name of the Equipment	Min. no. required
Nursery (plants & seasonal flower)	1	Pump 4"x 4"(suction& delivery)	2
Lawn tractor(20hp power)	4	Water Tanker	2
Lawn mower (6hp power)	10	Six wheel truck	3
compressor	3	Pick up truck	3
Hedges cutter	10	Van(6person)	2
compressor	3	JCB (excavator)	2
Agriculture sprayer machine	2	High up	2
Generator	2		

- Owned/Leased Basic Plant Relevant to the field of application.

Prequalification Technical Criteria for

Landscaping & Beautification Works (Grade A)

1- Eligibility:

- Covered in CED Pre-Qualification Application Requirements.

2- Organization & Human Recourses:

- Minimum No. of manpower **50**
- Minimum No. of Technical Recourse:

Technical Staff Specialty	Minimum No. Required	Minimum No. of Years of overall Experience Required (per Each)	Minimum No. of Years of Experience in the Application Field Required (for each)
Agricultural Engineer / Horticulturist / Agriculturist (w/ CRPEP License)	1	5	5
Civil Engineer (w/ CRPEP License)	1	5	5
Agriculture Engineering Technician	1	5	5
Mechanical / Irrigation Engineer Technician	1	5	5
Safety Officer	1	5	5

- Technicians should be certified (BSc or Diploma Certificate in the engineering field) or an equivalent approved by Ministry of Works / Municipalities Affairs and Agriculture.
- Safety Officer should have Certificates (Managing Safety from IOSH or NEBOSH international General Certificate in occupational Health & Safety completing IGC1, IGC2 & IGC3) or an equivalent approved by Ministry of Works / Municipalities Affairs and Agriculture.

3- Experience:

- Minimum Completion of one Project in the application field in the last 5 years valued equal or more than **BD 200,000/-.**
- Minimum **3** Projects completed in the field of application in the last 5 years.
- Minimum no. of **4** years' experience in the field of application.
- Satisfactory performance appraisal of the ongoing or completed MUN Projects (if the contractor is involved in any project with MUN as a party).
- The Upgrading will be limited to one grade per an application.

4- Plant & Equipment owned/ Leased:

Name of the Equipment	Min. no. required	Name of the Equipment	Min. no. required
High up	1	Pump 4"x 4"(suction& delivery)	1
Lawn tractor(20hp power)	4	Water Tanker	1
Lawn mower (6hp power)	8	Six wheel truck	3
compressor	2	Pick up truck	3
Hedges cutter	8	Van(6person)	2
Nursery (plants & seasonal flower)	1	JCB (excavator)	2
Agriculture sprayer machine	2	Generator	2

- Owned/Leased Basic Plant Relevant to the field of application.

Prequalification Technical Criteria for

Landscaping & Beautification Works (Grade B)

1- Eligibility:

- Covered in CED Pre-Qualification Application Requirements.

2- Organization & Human Recourses:

- Minimum No. of manpower **30**
- Minimum No. of Technical Recourse:

Technical Staff Specialty	Minimum No. Required	Minimum No. of Years of overall Experience Required (per Each)	Minimum No. of Years of Experience in the Application Field Required (for each)
Agricultural Engineer / Horticulturist / Agriculturist (w/ CRPEP License)	1	5	5
Civil Engineering Technician	1	5	4
Agricultural Engineering Technician	1	4	4
Mechanical / Irrigation Engineer Technician	1	4	4
Safety Officer	1	5	5

- Technicians should be certified (BSc or Diploma Certificate in the engineering field) or an equivalent approved by Ministry of Works / Municipalities Affairs and Agriculture.
- Safety Officer should have Certificates (Managing Safety from IOSH or NEBOSH international General Certificate in occupational Health & Safety completing IGC1, IGC2 & IGC3) or an equivalent approved by Ministry of Works / Municipalities Affairs and Agriculture.

3- Experience:

- Minimum Completion of one Project in the application field in the last 5 years valued equal or more than **BD 100,000/-.**
- Minimum **2** Projects completed in the field of application in the last 5 years.
- Minimum no. of **4** years' experience in the field of application.
- Satisfactory performance appraisal of the ongoing or completed MUN Projects (if the contractoris involved in any project with MUN as a party).
- The Upgrading will be limited to one grade per an application.

4- Plant & Equipment owned/ Leased:

Name of the Equipment	Min. no. required	Name of the Equipment	Min. no. required
compressor	2	Water Tanker	1
Lawn tractor(20hp power)	4	Six-wheel truck	2
Lawn mower (6hp power)	6	Pick up truck	3
Hedges cutter	6	Van(6person)	2
Agriculture sprayer machine	2	JCB (excavator)	2
Generator	1	High up	1

- Owned/Leased Basic Plant Relevant to the field of application.

Prequalification Technical Criteria for
Landscaping & Beautification Works (Grade C)

1- Eligibility:

- Covered in CED Pre-Qualification Application Requirements.

2- Organization & Human Resources:

- Minimum No. of manpower **20**
- Minimum No. of Technical Personnel:

Technical Staff Specialty	Minimum No. Required	Minimum No. of Years of overall Experience Required (per Each)	Minimum No. of Years of Experience in the Application Field Required (for each)
Agricultural Engineering Technician	1	3	3
Civil Engineering Technician	1	3	3
Mechanical / Irrigation Engineering Technician	1	3	3

- Technicians should be certified (BSc or Diploma Certificate in the engineering field) or an equivalent approved by Ministry of Works / Municipalities Affairs and Agriculture
- Safety Officer should have Certificates (Managing Safety from IOSH or NEBOSH international General Certificate in occupational Health & Safety completing IGC1, IGC2 & IGC3) or an equivalent approved by Ministry of Works / Municipalities Affairs and Agriculture.

3- Experience:

- Minimum Completion of one Project in the application field in the last 5 years valued equal or more than **BD 50,000/-.**
- Minimum **2** Projects completed in the field of application in the last 5 years.
- Minimum no. of **3** years' experience in the field of application.
- Satisfactory performance appraisal of the ongoing or completed MUN Projects (if the contractor is involved in any project with MUN as a party).
- The Upgrading will be limited to one grade per an application.

4- Plant & Equipment owned:

Name of the Equipment	Min. no. required	Name of the Equipment	Min. no. required
Lawn tractor (20hp power)	2	Six-wheel track	2
Lawn mower (6hp power)	3	Pick up track	2
Hedges cutter	3	Van(6person)	1
Agriculture sprayer machine	1	JCB (excavator)	1

- Owned or leased Basic Plant relevant to the field of application.

Prequalification Technical Criteria for

Landscaping & Beautification Works (Grade D)

1- Eligibility:

- Covered in CED Pre-Qualification Application Requirements.

2- Organization & Human Resources:

- Minimum No. of manpower **10**
- Minimum No. of Technical Personnel:

Technical Staff Specialty	Minimum No. Required	Minimum No. of Years of overall Experience Required (per Each)	Minimum No. of Years of Experience in the Application Field Required (for each)
Agricultural Engineering Technician	1	3	3
Civil Engineer Technician	1	3	3

- Technicians should be certified (BSc or Diploma Certificate in the engineering field) or an equivalent approved by Ministry of Works / Municipalities Affairs and Agriculture.
- Safety Officer should have Certificates (Managing Safety from IOSH or NEBOSH international General Certificate in occupational Health & Safety completing IGC1, IGC2 & IGC3) or an equivalent approved by Ministry of Works / Municipalities Affairs and Agriculture.

3- Experience:

- Minimum Completion of one Project in the application field in the last 5 years valued equal or more than **BD 20,000/-**
- Minimum **2** Projects completed in the field of application in the last 5 years.
- Minimum no. of **3** years' experience in the field of application.
- Satisfactory performance appraisal of the ongoing or completed MUN Projects (if the contractor is involved in any project with MUN as a party).
- The Upgrading will be limited to one grade per an application.

4- Plant & Equipment owned:

Name of the Equipment	Min. no. required	Name of the Equipment	Min. no. required
Lawn tractor (20hp power)	2	Six-wheel track	2
Lawn mower (6hp power)	3	Pick up track	2
Hedges cutter	3	Agriculture sprayer machine	1

- Owned or leased Basic Plant relevant to the field of application.

Prequalification Technical Criteria for

Landscaping & Beautification Works (Grade E)

1- Eligibility:

- Covered in CED Pre-Qualification Application Requirements.

2- Organization & Human Resources:

- Minimum No. of manpower **10**
- Minimum No. of Technical Personnel:

Technical Staff Specialty	Minimum No. Required	Minimum No. of Years of overall Experience Required (per Each)	Minimum No. of Years of Experience in the Application Field Required (for each)
Agricultural / Irrigation Engineering Technician	1	3	3

- Technicians should be certified (BSc or Diploma Certificate in the engineering field) or an equivalent approved by Ministry of Works / Municipalities Affairs and Agriculture.
- Safety Officer should have Certificates (Managing Safety from IOSH or NEBOSH international General Certificate in occupational Health & Safety completing IGC1, IGC2 & IGC3) or an equivalent approved by Ministry of Works / Municipalities Affairs and Agriculture.

3- Experience:

- Minimum Completion of one Project in the application field in the last 5 years valued equal or more than **BD 10,000/-**.
- Minimum **2** Projects completed in the field of application in the last 5 years.
- Minimum no. of **3** years' experience in the field of application.
- Satisfactory performance appraisal of the ongoing or completed MUN Projects (if the contractor is involved in any project with MUN as a party).
- The Upgrading will be limited to one grade per an application.

4- Plant & Equipment owned:

Name of the Equipment	Min. no. required	Name of the Equipment	Min. no. required
Lawn mower (6hp power)	3	Six-wheel track	2
compressor	1	Pick up track	2
Hedges cutter	3	Agriculture sprayer machine	1

- Owned or leased Basic Plant relevant to the field of application.

Prequalification Technical Criteria for

Landscaping & Beautification Works (Grade F)

1- Eligibility:

- Covered in CED Pre-Qualification Application Requirements.

2- Organization & Human Resources:

- Minimum No. of manpower **5**
- Minimum No. of Technical Personnel:

Technical Staff Specialty	Minimum No. Required	Minimum No. of Years of overall Experience Required (per Each)	Minimum No. of Years of Experience in the Application Field Required (for each)
Agricultural/ Irrigation Engineering Technician	1	2	2

- Technicians should be certified (BSc or Diploma Certificate in the engineering field) or an equivalent approved by Ministry of Works / Municipalities Affairs and Agriculture.
- Safety Officer should have Certificates (Managing Safety from IOSH or NEBOSH international General Certificate in occupational Health & Safety completing IGC1, IGC2 & IGC3) or an equivalent approved by Ministry of Works / Municipalities Affairs and Agriculture.

3- Experience:

- Minimum Completion of one Project in the application field in the last 5 years valued equal or more than **BD 5,000/-.**
- Minimum **1** Projects completed in the field of application in the last 5 years.
- Minimum no. of **2** years' experience in the field of application.
- Satisfactory performance appraisal of the ongoing or completed MUN Projects (if the contractor is involved in any project with MUN as a party).
- The Upgrading will be limited to one grade per an application.

4- Plant & Equipment owned:

Name of the Equipment	Min. no. required	Name of the Equipment	Min. no. required
Lawn mower (6hp power)	3	Six-wheel track	1
compressor	1	Pick up track	1
Hedges cutter	3	Agriculture sprayer machine	1

- Owned/Leased Basic Plant Relevant to the field of application.

CED-PQCG-GL-004 Rev01

Prequalification Technical Criteria for
Soft Landscape (Grade A-International)
(Plantation & irrigation installation & Maintenance)

1- Eligibility:

- Covered in CED Pre-Qualification Application Requirements.

2- Organization & Human Recourses:

- Minimum No. of manpower **30**
- Minimum No. of Technical Recourse:

Technical Staff Specialty	Minimum No. Required	Minimum No. of Years of overall Experience Required (per Each)	Minimum No. of Years of Experience in the Application Field Required (for each)
Agricultural / Horticulturist / Agriculturist Engineer	2	5	5
Agriculture Technician	1	5	5
Irrigation Engineering Technician	1	5	5
Mechanical Engineer Technician	1	5	5
Safety Officer	1	5	5

- Engineers should be certified (BSc Certificate in the field of engineering) and Licensed (CRPEP equivalent) as Engineers in their company headquarter country.
- Technicians should be certified (BSc or Diploma Certificate in engineering) or an equivalent approved by Ministry of Works/ Municipalities Affairs and Agriculture
- Safety Officer should have Certificates (Managing Safety from IOSH or NEBOSH international General Certificate in occupational Health & Safety "completing IGC1, IGC2 & IGC3) an equivalent approved by Ministry of Works/ Municipalities Affairs and Agriculture.

3- Experience :

- Minimum Completion of one Project in the application field in the last 5 years valued equal or more up to **BD 500,000/-**.
- Minimum **4** Projects completed in the field of application in the last 5 years.
- Minimum no. of **8** years' experience in the field of application.
- Satisfactory performance appraisal of the ongoing or completed MUN Projects (if the contractor is involved in any project with MUN as a party).

4- Plant & Equipment owned/ Leased:

Name of the Equipment	Min. no. required	Name of the Equipment	Min. no. required
Excavator/Backhoe	1	Pump 4"x 4"(suction& delivery)	2
Lawn tractor(20hp power)	2	Water Tanker	2
Lawn mower (6hp power)	6	Six wheel track	2
Hedges cutter	4	Pick up track	2
Agriculture sprayer machine	2	Van(6person)	2
Generator	2	High up	1

- Owned/Leased Basic Plant Relevant to the field of application.

CED-PQCG-GL-004 Rev01

Prequalification Technical Criteria for
Soft Landscape (Grade A)
(Plantation & irrigation installation & Maintenance)

1- Eligibility:

- Covered in CED Pre-Qualification Application Requirements.

2- Organization & Human Recourses:

- Minimum No. of manpower **30**
- Minimum No. of Technical Recourse:

Technical Staff Specialty	Minimum No. Required	Minimum No. of Years of overall Experience Required (per each)	Minimum No. of Years of Experience in the Application Field Required (for each)
Agricultural / Horticulturist / Agriculturist Engineer (w/CRPEP)	1	5	5
Agriculture Engineering Technician	1	5	5
Irrigation Engineering Technician	1	5	5
Mechanical Engineer Technician	1	5	5
Safety Officer	1	5	5

- Technicians should be certified (BSc or Diploma Certificate in engineering) or an equivalent approved by Ministry of Works/ Municipalities Affairs and Agriculture.
- Safety Officer should have Certificates (Managing Safety from IOSH or NEBOSH international General Certificate in occupational Health & Safety "completing IGC1, IGC2 & IGC3) an equivalent approved by Ministry of Works/ Municipalities Affairs and Agriculture.

3- Experience :

- Minimum Completion of one Project in the application field in the last 5 years valued equal or more up to **BD 200,000/-**.
- Minimum **3** Projects completed in the field of application in the last 5 years.
- Minimum no. of **5** years' experience in the field of application.
- Satisfactory performance appraisal of the ongoing or completed MUN Projects (if the contractor is involved in any project with MUN as a party).

4- Plant & Equipment owned/ Leased:

Name of the Equipment	Min. no. required	Name of the Equipment	Min. no. required
Excavator/Backhoe	1	Pump 4"x 4"(suction& delivery)	2
Lawn tractor(20hp power)	2	Water Tanker	2
Lawn mower (6hp power)	6	Six wheel track	2
Hedges cutter	4	Pick up track	2
Agriculture sprayer machine	2	Van(6person)	2
Generator	2	High up	1

- Owned/Leased Basic Plant Relevant to the field of application.

Prequalification Technical Criteria for

Soft Landscape (Grade B)
(Plantation & irrigation installation & Maintenance)

1- Eligibility:

- Covered in CED Pre-Qualification Application Requirements.

2- Organization & Human Recourses:

- Minimum No. of manpower **20**
- Minimum No. of Technical Recourse:

Technical Staff Specialty	Minimum No. Required	Minimum No. of Years of overall Experience Required (per each)	Minimum No. of Years of Experience in the Application Field Required (for each)
Agriculture Engineering Technician	1	5	3
Irrigation Engineering Technician	1	5	3
Safety Officer	1	5	3

- Technicians should be certified (BSc or Diploma Certificate in engineering) or an equivalent approved by Ministry of Works/ Municipalities Affairs and Agriculture.
- Safety Officer should have Certificates (Managing Safety from IOSH or NEBOSH international General Certificate in occupational Health & Safety "completing IGC1, IGC2 & IGC3) an equivalent approved by Ministry of Works/ Municipalities Affairs and Agriculture.

3- Experience :

- Minimum Completion of one Project in the application field in the last 5 years valued equal or more up to **BD 100,000/-**..
- Minimum **2** Projects completed in the field of application in the last 5 years.
- Minimum no. of **3** years' experience in the field of application.
- Satisfactory performance appraisal of the ongoing or completed MUN Projects (if the contractor is involved in any project with MUN as a party).
- The Upgrading will be limited to one grade per an application.

4- Plant & Equipment owned/ Leased:

Name of the Equipment	Min. no. required	Name of the Equipment	Min. no. required
Lawn tractor(20hp power)	2	Water Tanker	1
Lawn mower (6hp power)	4	Six wheel track	2
Hedges cutter	4	Pick up track	2
Agriculture sprayer machine	1	Van(6person)	2

- Owned/Leased Basic Plant Relevant to the field of application.

Prequalification Technical Criteria for

Soft Landscape (Grade C)
(Plantation & irrigation installation & Maintenance)

1- Eligibility:

- Covered in CED Pre-Qualification Application Requirements.

2- Organization & Human Recourses:

- Minimum No. of manpower **20**
- Minimum No. of Technical Recourse:

Technical Staff Specialty	Minimum No. Required	Minimum No. of Years of overall Experience Required (per each)	Minimum No. of Years of Experience in the Application Field Required (per each)
Agriculture Engineering Technician	1	3	3
Irrigation Engineering Technician	1	3	3
Safety officer	1	3	3

- Technicians should be certified (BSc or Diploma Certificate in engineering) or an equivalent approved by Ministry of Works/ Municipalities Affairs and Agriculture.
- Safety Officer should have Certificates (Managing Safety from IOSH or NEBOSH international General Certificate in occupational Health & Safety "completing IGC1, IGC2 & IGC3) an equivalent approved by Ministry of Works/ Municipalities Affairs and Agriculture.

3- Experience :

- Minimum Completion of one Project in the application field in the last 5 years valued equal or more up to **BD 50,000/-.**
- Minimum **1** Projects completed in the field of application in the last 5 years.
- Minimum no. of **2** years' experience in the field of application.
- Satisfactory performance appraisal of the ongoing or completed MUN Projects (if the contractor is involved in any project with MUN as a party).
- The Upgrading will be limited to one grade per an application.

4- Plant & Equipment owned/ Leased:

Name of the Equipment	Min. no. required	Name of the Equipment	Min. no. required
Lawn tractor(20hp power)	2	Six wheel track	2
Lawn mower (6hp power)	4	Pick up track	2
Hedges cutter	4	Van(6person)	1
Agriculture sprayer machine	1		

- Owned/Leased Basic Plant Relevant to the field of application.

MINISTRY OF WORKS / MINISTRY OF MUNICIPALITIES AFFAIRS AND AGRICULTURE

PREQUALIFICATION FINANCIAL CRITERIA

Overview of Ratios adopted for Pre-qualification

Four Major Categories of Financial Ratios:

1. Liquidity
2. Profitability Sustainability
3. Operational Efficiency
4. Leverage

A. Liquidity Ratios

An important indication of financial health and whether the company has enough cash on an ongoing basis to meet operational obligations.

1. Current Ratio

Measures the ability to meet short term obligations, a useful indicator of cash flow in the near future. Ratio between 1.20 and 2.0 is generally considered sufficient while Ratio less than 1.0 indicates liquidity issues.

2. Quick Ratio

Indicates liquid assets that can be quickly converted to cash. Ratio of 1:1 means that the enterprise can pay its bills without having to sell inventory.

3. Working Capital

Indicates current assets over current liabilities required as working capital for operations of the company.

B. Profitability Sustainability Ratios

1. Gross Profit Margin

Enough gross profit is required to cover indirect costs and to plough back retained earnings for working capital needs and growth.

2. Net Profit Margin

Measures the ability to cover all operating costs including indirect costs.

3. Return on Assets

Indicates efficiency of operating assets. A low ratio compared to industry may mean that competitors have found a way to operate more efficiently.

4. Return on Equity

This is one of the important ratios to investors. This ratio indicates profit to compensate for the risk of being in business.

C. Operational Efficiency Ratios

Indicate efficiency of utilization of assets and managing liabilities. These ratios are used to compare performance over multiple periods.

1. Accounts Receivable Turnover *(expressed in "Days in Accounts Receivable")*

Indicates number of times trade receivables is turned over during the year, The higher the turnover, the shorter the time between sales & collecting cash.

2. Days in Inventory

Indicates efficiency of inventory turnover, A high ratio indicates inventory is selling quickly and little unused inventory is being stored. Low ratio suggests overstocking, obsolete inventory or there are selling issues.

3. Total Asset Turnover

Indicates efficiency of business to generate sales on each $ of assets. Increasing ratio indicates assets being used more productively.

D. Leverage Ratio

It indicates the level of borrowed money utilization by an enterprise and its associated risk of liquidity crunch in case of reduced profitability.

1. Debt to Equity

Recommended ratio by practice is to maintain 2:1 *(i.e. Debt can be twice that of equity as a limiting factor)*.

2. Gearing Ratio

Indicates the extent of financial leverage the company has in terms of borrowed funds versus equity. Higher ratio when economy & company is sound, provides high profit margin, and when there is down turn in economy & company goes through downslide of margin, higher gearing ratio can lead the company to bankruptcy.

Assumptions in recommended Financial Ratios

1. Analysis is done for the last 3 years Audited Financial Statements (AFS) with the following weightage:
   - Latest AFS - 70%
   - Previous to latest AFS - 20%
   - Last AFS - 10%

There will be 2 Stages of Financial Evaluation

- 1st Stage (Pass or Fail marks)

** Contractors with less than 75 points will be rejected in Grade category applied for*

- 2nd Stage (must get at least 75 points in the 1st Stage).
- Overall Score is the average of the points in the 1st & 2nd Stage.

Weightage Points for 1st Stage Evaluation (Pass or Fail):

- Working Capital = 30 points
- Net Worth = 30 points
- Current Ratio = 20 points
- Quick Acid Test Ratio = 20 points
- **Total Mark = 100 Points**

- If minimum Working Capital, Net Worth, Current Ratio & Quick Acid Test Ratio requirements are met, Contractor gets the assigned weightage points;
- If there is a shortfall on the minimum requirement, the Contractor gets ZERO on said criteria.

2. Weightage Points for 2nd Stage Evaluation:

   - Turnover - **14 points**
   - Working Capital to Total Assets - **7 points**
   - Leverage Ratios - **21 Points**

     Gearing, Debt to Equity & Total Liabilities to Total Assets Ratios - 7 points each
   - Operational Efficiency Ratios - **20 points**

     Assets and Inventories Turnovers - 5 points each

     Accounts Receivables Turnover - 10 points
   - Profitability Sustainability Ratios **- 38 points**

     Return on Equity & Return on Assets - 7 points each

     Gross Profit Margin & Profit Margin - 12 points each

3. Recommended Standardization of Benchmark & Full Implementation is 3 years, considering current economic situation & the number of contractors who would be able to qualify the pre-qualification criteria.

   Proposed Step Incremental Benchmarking:

   - Year 1 - 10% increase to the base figures
   - Year 2 - 10% increase to the figures in year 1 of implementation.
   - Year 3 - 10% increase to the figures in year 2 of implementation.

4. Overall Score will be classified as follows:

   - Excellent = **above 90 points**
   - Good = **75 points - 90 points**
   - Average = **55 points - 74.99 points**
   - Poor = **below 55 points**

5. Financial Evaluation Considerations:

   - All Contractors applying for renewal, new registration or Upgrading the prequalification license need to have at least **"Average"** Overall Score.
   - The audited interim financial report for the ongoing financial/fiscal year may be considered in the first stage of evaluation to assess improvement if the weighted average of the last three years' annual audited financial reports does not meet the minimum benchmark required for the desired Category/Grade. This consideration applies only to the financial evaluation in the first stage of prequalification license renewal applications, and the overall financial evaluation will be considered "Average" regardless of the marks sum, The prequalification license in this case

is subjected to the company providing its latest Audited Annual financial report no later than one year from its current Prequalification license issuing date to re-evaluate company's financial status and confirm its compliance & suitability to the with the financial criteria requirements of the licensed Category/Grade. (*Failing to submit the above details the prequalification license will be canceled, and the company will have to submit new prequalification application)*.

- If the last three years annual audited financial reports weighted average is not meeting the minimum benchmark required for the desired Category/Grade, the evaluation can be consider only the last year audited report ratios & values if it reflect an enhancement in the company's financial capacity and meets the minimum benchmark required for the desired Category/Grade, this will only be consider for the financial evaluation first stage for prequalification license renewal applications and the overall financial evaluation will be consider "Average" regardless to the marks sum, The prequalification license in this case is subjected to the company providing its latest Audited Annual financial report no later than one year from its current Prequalification license issuing date to re-evaluate company's financial status and confirm its compliance & suitability to the licensed Category/Grade Financial criteria requirements. (*Failing to submit the above details the prequalification license will be canceled, and the company will have to submit new prequalification application.*)

6. It is advised for the concerned parties to conduct a financial evaluation for the participant contractors in Tenders for the following conditions:

- If the contracting company is being, involve in several ongoing projects (more than a project at the same time) while tendering for a Ministry project(s).
- If the Contractor financial evaluation result during the prequalification process were, consider or result as **"Average".**
- If the project is highly valued (more than 10 Million) and/or with high technical complexity such as but not limited to (GCC fund project or major strategic projects that are mainly allocated for the top classified contractors (grade AA for the Main categories and grade A for the specialized categories were there is no Maximum value limit for participation).

Financial Criteria for Landscape & Beautification Works

Category	Grade	Financial Limit per Project (BD)	Minimum Net Worth (Total Equity) (BD) (75% of Turnover)	Minimum Working Capital (BD) (35% of Turnover)	Minimum Annual Turnover (BD)
Landscape & Beautification Works	AA	Over 400,000	375,000	175,000	500,000
	A	Up to 400,000	300,000	140,000	400,000
	B	Up to 300,000	225,000	105,000	300,000
	C	Up to 200,000	150,000	70,000	200,000
	D	Up to 100,000	75,000	35,000	100,000
	E	Up to 50,000	37,500	17,500	50,000
	F	Up to 25,000	18,750	8,750	25,000
Soft Landscape	A	Over 200,000	187,500	87,500	250,000
	B	Up to 200,000	150,000	70,000	200,000
	C	Up to 100,000	75,000	35,000	100,000

Category	Grade	Financial Limit per Project (BD)	Minimum Net Worth (Total Equity) (BD) (75% of Turnover)	Minimum Working Capital (BD) (35% of Turnover)	Minimum Annual Turnover (BD)
Landscape & Beautification Works (International)	AA	Over 600,000	7,500,000	3,500,000	10,000,000
Soft scape works (International)	A	Over 200,000	750,000	350,000	1,000,000