**For Calculation of Bid Capacity**

**4.7. Bid Capacity.**

Applicants who meet the minimum qualification criteria will be qualified only if their available bid capacity at the expected time of bidding is more than the total estimated cost of the works. The available bid capacity will be calculated as under:

**Assessed Available Bid Capacity = ( A*N*2-B), where**

A = Maximum value of work executed in any one year during the last five years (updated to the price level of the year indicated in appendix) taking into account the completed as well as works in Progress.

B = Value at current price level of the existing commitments and ongoing works to be completed during the next _____( period of completion of work for which bids are invited ); and

N = Number of years prescribed for completion of the works for which the bids are invited.

**Note :- In Case of joint venture, the available bid capacity will be applied for each partner to the extent of his proposed participation in the execution of the work.**

**4.5.2 Base year and Escalation**

The base year shall be taken as Current financial year
Following enhancement factors will be used for the costs of works executed and the financial figure to a common base value for works completed in India.

Applicant should indicate actual figures of costs and amount for the works executed by them without accounting for the above-mentioned factors.
In case the financial figures and value of completed works are in foreign currency the above enhanced multiplying factors will not be applied. Instead, the current market exchange rate (State Bank of India BC Selling rate as on the last date of submission of the bid) will be applied for the purpose of conversion of the amount in foreign currency into India rupees.

| Year | Financial Year | Multiplying factor |
|---|---|---|
| Base year of inviting tender | 20__-20___ | 1.00 |
| -1 | 20__-20___ | 1.10 |
| -2 | 20__-20___ | 1.21 |
| -3 | 20__-20___ | 1.33 |
| -4 | 20__-20___ | 1.46 |
| -5 | 20__-20___ | 1.61 |