F.No.1/3/2026-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division
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709, Chanderlok Building,
Janpath, New Delhi
22.07.2026

OFFICE MEMORANDUM

Subject: Advisory regarding prescription of qualification and evaluation criteria in procurement of consultancy services.

A sample study of consultancy procurement tenders floated by Central Government procuring entities on GeM during the last three financial years revealed the following issues with respect to the eligibility and qualification criteria:

(i) Comparatively high turnover requirements were prescribed.
(ii) Higher weightage was assigned to the consulting firm's experience than to the qualifications and experience of the proposed key personnel.
(iii) Minimum staff strength on the payroll of the bidder was prescribed as an eligibility criterion, far exceeding the actual manpower required for execution of the project.

2. The above findings indicate that such eligibility and qualification criteria may unduly restrict competition in the procurement of consultancy services. Accordingly, the following provisions of the Manual for Procurement of Consultancy Services, Second Edition, 2025, are reiterated and may be adhered to while formulating eligibility and qualification criteria for consultancy procurements.

(i) Para 7.3.3 on Evaluation of Qualification (Annexure-I).
(ii) Para 8.4.2 on Criteria and Sub-criteria (Annexure-II).

3. In addition, if minimum staff strength on the payroll of the firm is prescribed as an eligibility and qualification criterion, it may be ensured that the prescribed minimum staff strength is commensurate with the manpower requirement necessary for satisfactory execution of the consultancy assignment, as disproportionately high staff strength requirements, without adequate justification, may unnecessarily restrict competition.

Encl.: As above.

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To:
Secretaries of all Central Government Ministries/ Departments.

evaluation shall be on a “pass” or “fail” basis. A Consultant must achieve a “pass” on all the criteria to proceed to the next step. Any Consultant not achieving a ‘pass' in any of the eligibility criteria shall be rejected as nonresponsive.

7.3.3 Evaluation of Qualification

1. Procuring entity shall determine whether the Consultants are qualified and capable in all respects to be shortlisted to provide the ‘Services’. The Procuring Entity shall evaluate the consultants for shortlisting, inter-alia, based on their past experience of handling general and similar consultancy assignments, and financial capability of the firm.

2. The determination shall not consider the qualifications of other firms, such as the consultant's subsidiaries, parent entities, affiliates, or any other entity different from the consultant. Assignments completed by the Consultant’s individual experts working privately or through other consulting firms cannot be claimed as the relevant experience of the Consultant or that of the Consultant’s partners or sub-consultants.

3. The Procuring Entity reserves the right to waive minor deviations in the qualification criteria if they do not materially affect the capability of a Consultant to perform the contract.

4. The qualification and Experience of Key Experts are not included in the shortlisting criteria but shall be evaluated at the RFP stage. Since the bidders who meet the REoI qualification, can well manage to attract right Key experts during RfP.

5. In case a particular certification/ licence is required to perform the assignment, that may also be included in eligibility or qualification criteria.

6. Each criterion may be sub-divided into sub-criteria, if called for. Table 2 below gives an indicative criterion. The criteria and their weightage may be changed as per the need of Procuring Entity.

Table 2. Suggested Qualification criteria and their weightages

Criteria/ Sub-criteria	Suggested Values	Sub-criteria	Criteria
Criteria 1 General and Similar Experience: Bidders providing Consultancy services for at least the specified period and have completed the specified volume of general and similar consultancy assignments during the specified period.			70%
Similar assignments	Define based on value, general and specific sector of work, region, Key activities/ methodologies/ technologies etc.		
Consultants must have at least **α** years' experience in Consultancy Services	***α*** = *7*	*20%*	
During the last **α** years, Consultancy Assignments completed or substantially completed (at least **γ** payments received) should be at least ***β***	**α** = *7* **γ** = *80%* ***β*** = *7*	*50%*	
Out of the Consultancy Assignments mentioned above, **δ** should be similar assignments	**δ** = *2*	30%	

Criteria/ Sub-criteria	Suggested Values	Sub-criteria	Criteria
Criteria 2 - Financial Capability: Overall financial strength of the consultant in terms of turnover, profitability, and cash flow (liquid assets) situation			30%
Turnover: Minimum average annual turnover of at least Rs. **θ** Crores, at least **κ** of which should be from Consultancy Service Contracts, (total payments received for contracts in progress or completed) within the last α years	***θ** = 200% of the value of assignment* ***κ** = 50%* ***α** = 7*	70%	
Financial Viability - Net Worth: The Net Worth of Bidder firm should not be negative on 'The Relevant Date' and should not have eroded by more than **ξ** in the last 3 years.	***ξ** = 30%*	30%	
Relaxation for Start-ups: Qualification criteria can be relaxed upto ***λ*** % for startups subject to meeting the quality and technical specifications during the RFP. (Please refer to paras 1.10.1-4-b), 5.2.2-6-d) and 1.10.4-2-b))	***λ** = [20% (twenty percent)]*		
Note: During RFP Process Consultant shall be asked to furnish documentary evidence to demonstrate his compliance to Criteria 1 and Criteria 2. *Relevant Date when the specified period ends for different criteria shall be:* *1) For all annual reports, periods mentioned are ending with the financial year of the company [say 2023-24].* *2) For other statements, latest statement available on the last date of bid submission.*			

7. Qualification Criteria shall be based entirely upon the capability and resources required to perform the particular contract satisfactorily, considering bidders' experience and past performance, capabilities with respect to personnel, equipment and manufacturing facilities, financial standing and relevant compliance with environmental protection regulations/ Environment Management System. There should be no qualification criteria that would be advantageous to foreign consultants at the cost of domestically provided consultancy.

8. **Qualification of demerged entities**[69] **(by virtue of a corporate restructuring exercise etc.)**: Tender documents must clearly mention if (and under what conditions) the demerged entity will be permitted to use credentials of original/parent entity (for initial five years from the incorporation of the demerged entities) to satisfy the qualification criteria or not (Refer para 5.2.2-6-d).

9. It is also noted that while shortlisting/ selecting consultants, some procuring entities are keeping the minimum qualifying financial turnover at the level of 5-10 times of the estimated cost of the consultancy work. This, prima facie, appears high. Higher qualification criteria increase the likelihood of adequate experience/ capacity but reduce the competition; if

[69] As per DoE's OM No. No. F .8/78/2023-PPD dated 12.10.2023, in suitable cases procuring entity may consider the credentials based on the merit and circumstances of the cases like type of procurement, nature of demerger, number of eligible bidders available etc.

set unduly high they may increase the cost without any improvement in quality. It is suggested that the criteria should be fixed on a reasonable basis while drafting tender documents and such higher minimum qualifying turnover should be kept only, if adequately justified[70]. In higher value procurements, the minimum annual turnover should not be blindly a multiplier of the assignment value, but there may be an upper cap on demanded turnover, so as not to restrict competition only to the big four or five Consultancy Firms.

10. In EoI, simplified evaluation criteria should be used, instead of marking schemes. A fail-pass, minimum benchmark in each criteria/ sub-criteria can be specified e.g., must have past experience of at least two similar projects; firm must have a turnover of at least Rs 10 (Rupees Ten) Crores and so on. Any firm which passes these benchmarks is declared as qualified.

11. However, in complex situation, marks/ scores may be assigned to the response of each consultant based on weightages assigned to each of the criteria in the EoI. For example, in case of number of assignments in last 7 years, out of maximum 35 marks for the sub-criteria, scoring can be

a) 3 marks per assignment upto 7 assignments (benchmark); and
b) 3.5 marks for additional assignments, subject to maximum of 35.

12. This exercise of scoring is not merely for disqualification of firms below a threshold, but to establish the relative strengths and weaknesses of the applicants, in order to arrive at a robust short list of qualified consultants who have the required experience and qualifications to deliver the required services at the desired level of quality. Please refer to para 8.4.3 also.

13. The Procuring Entity shall short list all the consultants who secure the minimum required marks [normally 75% (seventy five percent)]. The minimum qualifying requirement shall be specified in the EoI document.

7.3.4 The EoI Evaluation Report

1. The short list of firms is required for the selection of consultancy services in a competitive process with a minimum of three (*Rule 184 of GFR 2017*) and generally not more than eight (to avoid inordinate delays in evaluation of subsequent RfP). If there are a larger number of consultants meeting the evaluation criteria, the shortlist shall be restricted to a specified number of Consultants (if not specified, eight (8) consultants) based on higher Average Turnover (or any other criteria, if so, stipulated therein).

2. The short list may comprise only national consultants (firms registered or incorporated in the country and having registered office in India), for small assignments and indicated in the EoI. This situation is applicable where qualified national firms are available at a competitive cost or if the nature of the assignment is such that a foreign consultant's inclusion is not justified (for example, a training or outreach to be carried out in local language) or if foreign consultants have not expressed any interest.

3. If the same firm is considered for concurrent assignments (for example, a construction supervision consultant for different stretches/ packages of rehabilitation/ reconstruction of a road contract), the Procuring Entity shall assess the firm's overall capacity to perform multiple contracts before including it in more than one short list. However, this needs to be pre-declared in the EoI documents.

[70] Notified vide OM No.F.18/13/2020-PPD issued by Department of Expenditure dated 13.07.2020

considered further. No change in prices or substance of the bid, which may grant any undue advantage to such bidder, shall be sought, offered, or permitted. No post-bid clarification at the initiative of the bidder shall be entertained.

2. The Procuring Entity reserves its right to, but without any obligation to do so, to seek any shortfall information/ documents only in case of historical documents which pre-existed at the time of the Bid Opening, and which have not undergone change since then. Provision may be made by eProcurement portals to allow shortfall documents to be asked for (specifying a target date for submission, as in sub-para above) and taken from any bidders after the technical bid opening. (Example: if the Permanent Account Number, registration with GST has been asked to be submitted and the bidder has not provided them, these documents may be asked for with a target date as above). As far as the submission of documents is concerned regarding qualification criteria, after submission of the tender, only related shortfall documents should be asked for and considered. For example, if the bidder has submitted a supply order without its completion/performance certificate, the certificate can be asked for and considered. However, no new supply order should be asked for to qualify the bidder.

3. Ministries/ Departments/ CPSEs with a significant volume of procurement may develop a data-base of QR data of different bidders to minimize the time taken to ascertain QR compliance. Bidders may also be given viewing rights for its own data. In such case, over and above the documents submitted by the bidder in its bid, the above data-base may also be considered irrespective of the fact whether or not such data/details have been declared by the bidder in its bid.

8.3.6 Evaluation of Eligibility:

Procuring Entity shall determine, to its satisfaction, whether the Bidders are eligible as per the eligibility criteria in the Tender Document to participate in the Tender Process. Tenders that do not meet the required eligibility criteria prescribed shall be rejected as unresponsive.

8.4 Evaluation of the Quality – Technical Proposals

1. Only substantively responsive bids shall be evaluated for further evaluation.

2. Please refer to the paras 8.4.3, 8.4.4 and 8.4.5 below for Rating/ Grading Schemes, Individual/ Joint Review, and mitigation of subjectivity in evaluation of quality by the CEC.

8.4.1 Responsiveness to ToR

CEC shall evaluate each proposal on the basis of its responsiveness to the ToR. Proposals not responding to the ToR fully and properly will be summarily rejected as being non-responsive, before taking up the appraisal of the technical proposal for evaluation of quality. A technical proposal pre-disclosing any material pricing information shall also be rejected.

8.4.2 Criteria and Sub-criteria

1. CEC shall evaluate quality of the technical proposal by awarding marks so as to make the total maximum technical score of 100 (one hundred) for the criteria and sub-criteria for Quality/ Technical Proposals - (a) the consultant's relevant experience for the assignment; (b) the quality of the methodology proposed; (c) the qualifications of the key staff proposed; and (d) capability for transfer of knowledge (if relevant). Each proposal should be judged on its own merits and assigned an absolute - not comparative -grade against predefined criteria and sub-criteria. A comparative evaluation would single out the best proposal on a relative scale, but still could leave the Procuring Entity with a poor proposal.

2. The criteria and weightage to each criterion or sub-criterion would depend on the requirements of each case and may be fixed objectively. A model scheme of maximum/minimum marks in terms of percentage is, however, proposed in Table 4.

Table 4. A model scheme of maximum/minimum marks in terms of percentage

Rated Criteria	Range of Percentage for Score
1.Consultantcy firm's Experience relevant to assignment	5-10%
2. Proposed approach Methodology, work plan, and understanding of requirements	20-50%
3. Qualification and adequacy of experience of Key Staff	30-60%
4.Transfer of Knowledge, if relevant*	0-10%
Overall	100 %

*Note: * If this criterion is not required, the marks can be adjusted against some other criteria. The weight given to the firm's experience can be relatively modest since this criterion has already been considered when short listing the consultant. More weight shall be given to the methodology in the case of more complex assignments (for example, multidisciplinary feasibility or management studies). Evaluation of only the key personnel is recommended. Since key personnel ultimately determine the quality of performance, more weight shall be assigned to this criterion if the proposed assignment is complex. The CEC shall review the qualifications and experience of proposed key personnel in their curricula vitae, which must be accurate, complete, and signed by an authorized official of the consultant and the individual proposed. The experience criteria mentioned in point 1 in the table above holds true for Consultancy Firm and not for an individual consultant.*

3. The CEC shall normally divide the above criteria mentioned in Table 4 into sub-criteria. However, the number of sub criteria should be kept to the minimum that is considered essential. For example, methodology Criteria can be sub-divided into sub-criteria as:

a) understanding of ToR (30% weightage);
b) acceptability and detailing of methodology and work plan (50% weight);
c) innovation, if it is important (20% weightage);

4. The criteria for suitability of the key professionals for the assignment can also be divided into:

a) Educational qualifications (20% weightage),
b) Professional experience in the required area of assignment (80% weight).

Similar to in LCS (para 4.2.1) and EoI (para 7.3.3-10), a simplified evaluation criteria laying down minimum qualifying fail-pass benchmarks for each criteria/ sub criteria (instead of marking schemes) may also be used in appropriate cases. All offers that pass the qualifying benchmarks are declared as technically qualified and their financial bids are opened.

8.4.3 Rating/ Grading Schemes to Mitigate Subjectivity

1. Technical proposals for consultancy services are an intellectual product. Their evaluation must be based on individual professional judgement of competent evaluators and should not be reduced to a purely arithmetical exercise. The difficulty is to ensure that this judgement is not exercised in an unreasonable or arbitrary manner. It is important that