

ARTIFICIAL LIMBS MANUFACTURING CORPORATION OF INDIA

G T Road, Naramau, Kanpur – 209217

“TENDER DOCUMENT”

of Tender No. Stock Audit/15-16/ dated: 25th January 2016 Due on 15th February 2016

Date :

To,

M/s _____

Dear Sir,

ALIMCO is a Mini Ratna Category II CPSU working under the aegis of Department of Empowerment of Persons with Disabilities, Ministry of Social Justice & Empowerment, Government of India. It is registered under Section 8 of the Companies Act, 2013 and in a manufacturer of aids & appliances for the disabled persons. The corporation is a nodal agency for implementation of ADIP and ADIP-SSA schemes of Government of India. The corporation has its manufacturing plants and Head Office at Kanpur and other auxiliary production centers are located at Bhubaneswar, Jabalpur, Bangalore and Chandalon. The marketing Centers of the corporation are located at New Delhi, Mumbai, Kolkata, Hyderabad and its north east activities are controlled by Outreach Centre at Guwahati.

The corporation is approaching the Institute of Chartered Accountants of India and the Institute of Cost Accountants of India to float the Tender Enquiry to all its members for active participation in the Stock audit assignment which will be conducted in all the centers of the corporation for the financial year **2015-16**.

Sealed Tender is invited for the stock audit assignment as per details indicated below:-

01. SCOPE OF WORK:

- 1.1 The Stock audit assignment shall cover the quantitative audits of Raw Material, Bought outs, Finished Components, Stores & Spares, Work in progress and Finished Goods at Head Office and Auxiliary Production units except Chandalon. Only Finished Goods are required to be audited in RMCs, Outreach Centre Guwahati and APC at Chandalon.
- 1.2 After appointment, stock auditors are required to start the preparatory work by deputing their team on the site for necessary study of movement control of the stocks and are required to carry out necessary exercises for advising, the Unit Head of the units and Stores Controller in case of Head Office, necessary instructions for proper stacking and movement control. The firms appointed are expected to keep a close interaction with the Unit Incharge in case of the Units and with the Finance & MM Department in case of the Head Quarter. Overall coordination shall be done by Accounts Department in Head Office.
- 1.3 The manpower required for successful reporting as desired in this tender for physical stock taking and verification is at least 60 man-days for Head Quarter, 10 man-days for AAPCs and 5 man-days for RMCs. This is however indicative and at least 75% of these man-days are required to be carried out on the site for which necessary supporting should be verified by concerned units. We anticipate that not more than 25% man-days are required for compilation of data and preparation of reports and administrative works. The actual man-days may vary but the least anticipated man-days are mentioned for the purpose of clarity.

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- 1.4 Approximate number of items in various categories of stores in various entities of the corporation are as follows:-

| | | HQ | AAPCs | RMCs |
|-------|--------------------|--------|-------|------|
| (i) | Finished Goods | - 750 | 350 | 300 |
| (ii) | Raw Material | - 600 | 75 | - |
| (iii) | Bought Items | - 950 | 250 | - |
| (iv) | General Stores | - 2000 | 250 | - |
| (v) | Finished Component | - 1403 | 125 | - |

Moreover, an indicative number of “A” Class, “B” Class and “C” Class items in Head Quarter and APCs is 10% , 20% and 70% respectively. List shall be provided to the shortlisted stock auditors.

- 1.5 The Quantitative Stock is required to be stock taken for 100% of “A” Class items, at least 50% for “B” Class items and at least 25% for “C” class items in Head Quarter and AAPCs. For RMCs 100% counting is to be ensured.
- 1.6 The report shall include the observation of Shortage/ Excess in relation to the Bin Card Quantity. Apart from physical counting at the end of the financial year, the statement showing **Opening Balance** as at the beginning of the financial year, **receipt during the year** from various sources like purchase, stock transfer, production etc. and **consumption during the year** to various sources like stock transfer, sales, etc. and **Closing Balance** as at the end of the financial year as appearing in the BIN CARDS and through other Store Documents are also required to be audited.
- 1.7 Valuation shall be done as per the accounting policy of the corporation and the same shall be done on the basis of finalization of accounts and as such the same is not within the purview of the stock audit assignment which is limited to physical audit and reporting of the quantity.
- 1.8 After conducting the physical stock taking, the ageing of the stock (quantity) is also within the purview of audit and the report should be generated for slow moving (not moved during last 3 year) as well as non-moving (not moved during last 5 years) based on the analysis of Bin Cards.
- 1.9 During the course of audit, discrepancies must necessarily be communicated to the Unit In-charge or Materials Head in writing and finally reported after due care has been taken for typographical errors or posting clerical errors. Findings should be discussed with Unit Head and the Report should have an endorsement of such discussions.
- 1.10 Final stock audit report for the financial year is required to be given within 15 days from commencement of audit for RMCs, within 20 days from the commencement of audit for APCs and 40 days from the commencement of audit for Head Quarter. Accordingly, the final report shall be given for RMCs and APCs in the month of April and for Head Office latest by 15th May.
- 1.11 The Report shall include:
- Statement of Closing Stock for each type of Store showing Physical Stock, Bin Card Balance, Excess/Shortage indicating the extent of physical verification dividing the entire stock category wise in A,B and C categories.
 - Statement showing Opening, Receipts, Consumption and Closing Stock as per 1.6 above.
 - List of Slow-moving and non-moving items each category wise along with ageing as per 1.8 above.

2.0 ELIGIBILITY OF TENDERER:

- 2.1 The tenderer shall be a practicing Chartered Accountant/ Cost Accountant having a valid certificate of practice issued from the respective institutes or a firm of Chartered Accountants/ Cost Accountants.
- 2.2 The tenderer shall have experience of stock audit in a PSU for at least one year during the last three years.
- 2.3 The tenderer shall have at least 4 semi-qualified and 6 audit staffs.

3.0 INSTRUCTIONS TO TENDERERS:

- 3.1 Sealed tenders in Single Bid as per Format A enclosed with this tender are to be submitted super scribing the Name of the Firm, Tender No., Tender Due Date.
- 3.2 Being a professional work, no EMD & Security Deposited is being insisted upon.
- 3.3 The rates are required to be quoted for each center separately. Any person desiring to quote for more than one center can do so provided he has sufficient where-with-all to conduct the audits and give the report within the time frame.
- 3.4 The quote to be submitted should indicate professional fee, taxes and out of pocket expenses separately as indicated in the format. The out of pocket expenses includes travelling expenditure, Hotel Charges, DA, Local Conveyance and other incidental charges. This would be a single figure comprising of all of these expenses and no other amount other than what is quoted is payable by the corporation.
- 3.5 To arrive at L-1 status, Cost to company shall be considered wherein fee, service tax (if applicable) and other statutory dues, out of pocket expenses shall be considered. L-1 status based on total cost to company shall be calculated for each center. In case no bifurcation of tax and other charges are given, the rates quoted shall be presumed to be inclusive of tax and reimbursements.
- 3.6 Following documents are required to be annexed with the information as per Format A:-
 - (a) Certified copies of Certificate of Practice/ constitution of firms issued by respective Institute - Mandatory.
 - (b) Brief write up (Bio Data/Resume) on the constitution of firm, its partners with their Membership No. and experience, the details of the paid staff/articled clerks , Audits being handled presently (whether statutory, cost , stock , concurrent) and other relevant details the bidder considers necessary to indicate- Mandatory.
 - (c) Certified copy of order in proof of clause no. 2.2- mandatory.
 - (d) A signed copy of Tender Document accepting the scope and deliverables– Mandatory.
- 3.7 Tenders containing Rate Format A with the documents at 3.6 above must reach the office of the undersigned **by 15:00 hrs. on 15.02.2016** . No tender shall be acceptable after the due date and time. The tenderer shall only be responsible for any delay caused during the delivery of tender submitted by post/Courier.

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4.0 VALIDITY OF OFFER/QUOTATION:

- 4.1 The offer/quotation submitted against this Tender shall be valid up to 45 days from the date of opening.
- 4.2 The tenderer shall be bound by terms of this tender document, if notification of acceptance of the offer against this tender is issued within the validity period.

5.0 PAYMENTS & OTHER TERMS:

- 5.1 The Bills submitted by the Professional should be duly verified for 75% man-days prescribed by the concerned Unit In-charge or by the Officer next below in case of centres and Incharge of MM department in case of Head Office and should have complied with the requirement of Clause 1.3 above. In case of less man-day, there shall be a proportionate deduction in the payment.
- 5.2 The expenses, if incurred by the corporation shall be monetized and shall be considered as a part of reimbursement and shall be deducted from the Bill. In case of less man-day, there shall be a proportionate deduction in the payment.
- 5.3 Payments terms are within 30 days of submission of Report along with the Bill as per 5.1&5.2 above
- 5.4 There is a provision of extension of the contract on year to year basis based on the performance of the stock auditors at the same rates, terms and conditions on mutual consent. This extension can be availed for financial year **2016-17 & 2017-18**.

6.0 GENERAL TERMS & CONDITIONS OF TENDER:

- 6.1 The terms of this tender including the terms of payment will not be relaxed.
- 6.2 Any offer submitted against this tender in deviation from the terms of this tender will stand rejected.
- 6.3 The successful firm shall not sub - contract the stock audit assignment.
- 6.4 All entries in the offer shall be either typed or neatly hand written. Tenders having over writings/fluid application/cutting etc. without proper authentication will be rejected.
- 6.5 Conditional Offer / Quotation shall not be acceptable.

7.0 ARBITRATION:

- 7.1 If any dispute/question or controversy arises in respect of or arising out of the assignment / Job Work Contract, the matter in dispute shall be referred to the arbitration of the Chairman & Managing Director of ALIMCO or its nominee and the decision of the Chairman and Managing Director or nominee shall be final and binding on both the parties.
- 7.2 The provision of the latest ARBITRATION & CONCILATION ACT as amended from time to time shall apply to such arbitration proceedings.
- 7.3 Arbitration proceedings shall be held at Kanpur only and the Kanpur City Court will have the jurisdiction in the matter.

**Manager (Finance)
ALIMCO, KANPUR**

Format A to the Tender for stock audit
For the purpose of quoting rates

| Sl. No. | Location for which quote is being submitted | Professional Fee (Rs.) | Tax and Duties (Rs.) | Out of pocket expenses (Rs.) | Total Amount In figure (Rs.) | Total Amount in words (Rs.) |
|---------|---|------------------------|----------------------|------------------------------|------------------------------|-----------------------------|
| 1 | Head Quarter, Kanpur | | | | | |
| 2 | Bhubaneswar | | | | | |
| 3 | Jabalpur | | | | | |
| 4 | Bangalore | | | | | |
| 5 | Chanalon | | | | | |
| 6 | New Delhi | | | | | |
| 7 | Mumbai | | | | | |
| 8 | Kolkatta | | | | | |
| 9 | Guwahati | | | | | |
| 10 | Hyderabad | | | | | |

Note:

- Nature of taxes & duties needs to be mentioned with applicable rate and whenever rate of taxes will be amended by Govt., it will be paid on actual basis.
- L-1 shall be decided location-wise on total amount.
- In case of contradiction in words & figure, amount in words will prevail.

I have gone through the Tender Documents and agree to abide by the terms and conditions of the Tender and have attached all the documents required under Clause 3.6

(Authorised Signatory)
Seal of the firm mentioning
Registration Number