

कार्यालय-कार्यपालन यंत्री (भंडार)  
मप्रपक्षेविविकलि. क्षेत्रीय भंडार, बड़वाह

क. 1279 कायंभ./क्षेभ.-34658/कय/

बड़वाह दिनांक 15.02.17

प्रति,

अधीक्षण यंत्री (आई.टी.),  
म.प्र.प.क्षे.वि.वि.कं.लि.,  
इन्दौर।

mpwz.website@gmail.com

विषय : इस कार्यालय द्वारा निकाली गई इंकवायरी को कंपनी की वेब साईट पर प्रकाशित करने  
बाबत ।

उपरोक्त विषयांतर्गत इस कार्यालय द्वारा इंकवायरी क्रमांक 19/1278  
दिनांक 15.02.17 निकाली गई है । उक्त इंकवायरी को कंपनी की वेब साईट पर प्रकाशन हेतु  
प्रेषित है ।

संलग्न :- इ.क. 19 ।

(पृष्ठ 5-01 व 21 तक)

*Bahau*  
कार्यपालन यंत्री (भंडार)  
क्षेत्रीय भंडार, मप्रपक्षेविविकलि.बड़वाह



Madhya Pradesh  
Paschim Kshetra  
Vidyut Vitaran Company Ltd.

Enquiry for hiring of Chartered Accountant/Cost Accountant Firms as Physical Stock Verifier, in MPPKVVCL in the Area Store Barwaha. the period of FY 2016-17 to 2017-18. Enquiry Specification No. 19 / 1278 / Barwaha Dtd. 15.02.2017

Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited Indore

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**OFFICE OF THE EXECUTIVE ENGINEER (STORE)**  
**M.P. PASCHIM KSHETRA VIDYUT VITARAN CO; LTD; BARWAHA.**

Phone No. – 07280-290091  
E-mail- storebarwaha@gmail.com

No.EE/S/16-17/PUR/19/1278

BARWAHA.DTD. 15.02.2017

**Sub:-** Notice Inviting Quotations for Supply of services for Physical Verification of Stores Inventory  
Enquiry for appointment of CA/CMS firms for Physical Verification of Stores Inventory Lying at Area Store Barwaha

Lowest rates are invited for the under mentioned material. The quotations should be physically submitted along with requisite EMD in sealed cover so as to reach this office on or before due date of opening of quotation mentioned below up to 3.00 p.m. The quotation will be opened on the same day at 3.30 p.m.

S.No.	Description	No. of Item code to be verified physical with ERP Balance for the month of December 2016	Due Date of opening of quotation	Earnest Money (In Rs.)
[01]	Physical Verification of Stores Inventory Lying at Area Store Barwaha for the F.Y. 2016-17	160 Nos.	01.03.2017	1000.00

## Background

Madhya Pradesh Pachim Kshetra Vidyut Vitaran Company Limited (MPPKVVCL) Indore, one of the successor Companies of MP State Electricity Board, with its head office at Shakti Bhawan, Jabalpur is a Power Distribution Company incorporated under the provisions of the Companies Act, 1956 (now companies Act, 2013). MPPKVVCL Indore (herein after referred to as a company) is engaged in the distribution & retail supply of electricity to its consumers. The Area Store Barwaha of the Company intends to appoint Physical Stock Verifiers, by engaging the Firms of Chartered Accountants with a view to bring in a professional approach in the Physical Stock Verifiers of the Power Distribution business in Madhya Pradesh.

### 1. Objective of this Assignment

- Compliance to the applicable Provisions, Orders and Rules Framed under the New Companies Act, 2013 that require effective Physical Control Procedures in a Company.
- Focus on regular Physical Stock Verifiers of the Stores to assess, review, recommend and comment in respect of effectiveness and efficiency of accounting, financing, and procedural compliance at its store Offices of Operations ;
- To make management aware, as soon as practical and at an appropriate level of responsibility, of material in stock physically available in the store and operation of accounting and Physical control systems, that may have come to the notice of Stock Verifiers in course of Stock Verification .
- Establish an effective Physical Stock Verification and control system.
- Achieve the objectives specified in the Corporate and Operational Plans.
- To ensure that requirements under Company's Physical Stock Verifier Report regarding Physical Control and Physical Stock Verification are complied with, in a manner that also assists management's objective

of ensuring, as far as practicable, orderly and efficient conduct of its business. This shall also include adherence to management policies, safeguarding of assets, Prevention and detection of fraud and error, accuracy and completeness of the stock material accounting records and timely preparation of reliable financial information.

For the above said purposes, the company hereby intends to initiate the process of selection of Chartered Accountant Firms as "Physical Stock Verifiers for the store Offices " (herein after referred to as "CA Firm" or "Auditors" or "Bidder Firm"). Thus, the company is issuing this Enquiry document inviting the interested and eligible CA/ICWA Firms to purchase the Enquiry document and to participate in the Bidding Process for the selection of Physical Stock Verifiers at the Area Store Barwaha

## 2. TERM OF AGREEMENT (CONTRACT PERIOD)

CA Firm would be appointed as Physical Stock Verifiers for an initial period of two (02) years commencing from the date of acceptance of LOA which may be further extended with or without increase in Stock Verification fee as per sole discretion of the Area Store Barwaha. The Area Store Barwaha reserve the right to appoint another CA firm to get the work done in the event of failure of the selected CA Firm to commence the work within the prescribed time or terminate the Agreement any time before the expiry of the Contract Period if the progress of work is not commensurate with the time completion schedule or the Stock Verification is not found satisfactory to the objectives of the assignment or for any other reasons seems fit to the Area Store Barwaha

## 3. QUALIFICATION CRITERIA

- 3.1 The Bidder firm or the Consortium Leader should fulfill the following criteria to be eligible:
- The Bidder firm must be in operation for at least five (05) years. In case of Consortium, one firm must be in operation for at least five (05) years. The period of 05 years will be considered from the date of registration of the firm. Copy of registration deed to be provided by the Bidder firm for verification.
  - The Bidder Firm should not have less than Rs.5.0 lakhs professional receipts in last FY. In case of Consortium, at least one firm should not have less than Rs.5.0 lakhs professional receipts in last FY.
  - The Bidder Firm must have its one (01) Registered Office or Branch Office at Indore or the places covered under Stock Verifiers i.e. where store division offices are situated.
  - There should be no legal suit / Criminal case pending or contemplated against the Bidder Firm on the grounds of turpitude or for violation of any of the law in force.

*Date of applicability of qualifying criteria and other parameters, unless otherwise stated expressly, shall be 31<sup>st</sup> Jan, 2017.*

- 3.2 Information related to above mentioned criteria along with the covering letter to be provided in **Annexure 1-11** and must be submitted along with the Technical Proposal.
- 3.3 Area Store Barwaha reserves the right to verify / scrutinize any of the above mentioned information for accuracy in case of credible evidence obtained for any false declaration. Area Store Barwaha MPPKVCL, Barwaha reserves the right to take appropriate action as it deems fit in addition to cancel / terminate the contract or disqualify such firm.

## 4. INFORMATION TO BIDDERS



#### 4.1 SUBMISSION OF PROPOSAL

- **Single Stage – two envelopes** bidding process shall be followed for the selection of the CA/ICWA Firms for Physical Stock Verification at the store divisions.
- The Physical Verification of Store is to be done once in a year. The Scope of Work is annexed in Clause 8
- The appointment of CA/ICWA Firms shall be for undertaking Physical Stock Verification (Quantity Only) of the Area Store Barwaha. The Physical Stock Verification officer shall be responsible for the Stock Verification of Area Store Barwaha as per the Scope of Work.
- All the interested and eligible CA/ICWA Firms should submit their technical proposals in the prescribed format given in Annexure 5 for. Each copy being physically separated, bound, sealed and labeled as "Envelope 1 - Bid for appointment as Physical Stock Verifiers Area Store Barwaha Technical Proposal" and marked "Original" or "Copy". If there is any discrepancy in the original and copy, original shall govern. The bid which do not contain the requisite information or is not supported by the supporting documents will be treated as non-responsiveness, and its financial proposal shall remain un-opened. The Earnest Money Deposit (herein after referred to as EMD) and the Cost of Document (in the form of demand draft), in case the Enquiry document was downloaded, shall be placed in the same envelope.

The Financial Proposal shall be placed in the separate envelope labeled as "Envelope 2 - Bid for appointment as Physical Stock Verifiers for the Area Store Barwaha Financial Proposal" which must contain the Quotation for each year of the Stock Verification period for the appointment as Physical Stock Verifiers of the Company as per the prescribed format in Annexure 2.

- Both these envelopes shall be placed in an outer envelope and sealed. The outer envelope shall bear the submission address, name of the bidder and clearly marked "for appointment of the Physical Stock Verifiers for Area Store Barwaha".
- The original and all copies of the Technical and Financial Proposal must be signed by the proprietor of the Bidder firm / Consortium Leader.

All the Technical and Financial Proposals along with the EMD must be delivered to the Area Store Barwaha, MPPKVVCL, Maheshwar Road, Near 220 KV Grid, Barwaha on or before the due date for submission of the Proposals mentioned elsewhere in the Enquiry document.

- The envelope containing the Technical Proposal and EMD of Rs.1,000/- will be opened on the specified date and time in the presence of Bidders or their authorized representatives who choose to attend. Once the technical evaluation has been done the company shall intimate the schedule of opening of Financial Proposal of the firms who have qualified the technical evaluation.

#### 4.2 VALIDITY OF PROPOSAL

The Bid shall remain valid for a period of 60 days from the date stipulated for submission of proposal. MPPKVVCL reserves the right to request extension of the Bid validity for an additional period of three (3) months, if necessary.

#### 4.3 EARNEST MONEY DEPOSIT (EMD)

All interested bidders are expected to submit, along with their Bid, Earnest Money Deposit (EMD) of Rs. 1,000 /- (one thousand) only, in the form of DD / Bankers' Cheque, drawn on any scheduled bank in favour of Sr. A. O. MPPKVVCL, payable at Khandwa.

The EMD of the unsuccessful bidder shall be returned not later than sixty (60) days after the expiry of the period of Bid validity as specified above. However, EMD of Successful Bidder shall be Adjusted in Security Deposit and Execution of the work.

#### 4.4 EXAMINATION OF THE ENQUIRY DOCUMENT

The prospective bidders are expected to examine the instructions, forms, terms and specifications in the

Enquiry Document. Failure to submit any information as required in the enquiry document will be at bidder's own risk and may lead to the rejection of the bid. Further, during the evaluation of proposals, MPPKVCL, Indore may at its discretion, ask the Bidders for clarification or any further documents for its proposal. No response or inadequate response to the clarifications asked for may lead to the disqualification of the bidder.

#### 4.5 EVALUATION OF THE PROPOSALS

- **Preliminary Scrutiny:**  
Preliminary scrutiny of the technical proposal will be made to determine whether they are complete, whether the documents have been properly signed, and whether the bids are generally in order. Bids not conforming to such preliminary requirements will be prima facie rejected.
- **Fulfillment of Minimum Qualification Criteria:**  
The proposals will be examined to ascertain whether they fulfill the minimum qualification criteria as prescribed in clause-6. The proposals of those applicants who do not fulfill minimum qualification criteria shall not be taken into further consideration/ detailed evaluation.
- **Waivers:**  
MPPKVCL shall waive minor infirmity; nonconformity or irregularity in a proposal, which does not constitute a material deviation, provided such waiver does not prejudice or affect the relative ranking of any Applicant.
- **Detailed Evaluation of Technical Proposals:**  
Bids found to be substantially responsive after the preliminary scrutiny and fulfillment of the minimum qualification criteria will be taken up for detailed evaluation. Criteria for evaluation of technical have been specified in **Annexure-5** of this document.
- **Technically Qualified Applicants:**  
All the Applicants who fulfill minimum qualification criteria i.e. turnover requirement, number of branches, manpower experience (Details in **Annexure-5**) will be declared as technically qualified. The Financial Bids of only the technically qualified Applicants will be opened for MPPKVCL shall waive minor infirmity; nonconformity or irregularity in a proposal, which does not constitute a material deviation, provided such waiver does not prejudice or affect the relative ranking of any Applicant.
- **Detailed Evaluation of Technical Proposals:**  
Bids found to be substantially responsive after the preliminary scrutiny and fulfillment of the minimum qualification criteria will be taken up for detailed evaluation. Criteria for evaluation of technical have been specified in **Annexure-5** of this document.
- **Technically Qualified Applicants:**  
All the Applicants who fulfill minimum qualification criteria i.e. turnover requirement, number of branches, manpower experience (Details in **Annexure-5**) will be declared as technically qualified. The Financial Bids of only the technically qualified Applicants will be opened for further processing.

#### 4.6 EVALUATION OF THE FINANCIAL PROPOSAL

The Financial Proposal of the technically qualified Applicants will be opened.

- **Fixed Price Bids:**  
Only the fixed price financial proposal indicating Total Quoted Fees (in lakhs) for each year of the Contract period will be considered. The price shall be inclusive of all T.A/ D.A., Lodging, Boarding, and out of pocket expenses, taxes and duties. No payment other than this shall be paid for the deliverables as specified in the Enquiry document. Format for submission of financial proposal is in **Annexure-2**. Rest house, local conveyance and food will not be provided by us.
- **Arithmetical errors will be rectified as follows:**

If there is a discrepancy between words and figures, the amount in words will prevail. However, if the amount quoted in words is not legible or not clear in meaning, the MPPKVVCL may consider the amount quoted in figures as final. Such offers may also be rejected.

#### 4.7 SELECTION PROCESS

- The bidder firm, whose financial proposal will be the lowest for a particular Group, shall get selected for the appointment as the **Physical Stock Verifiers** of the Group, subject to fulfillment of contractual formalities.
- Abnormal L-1 will not be entertained & MPPKVVCL reserve the right to given in to L-2 or above party.
- The selected bidder shall be issued a Letter of Award (LOA) by Area store Barwaha and, upon acceptance of the LOA by such selected bidder, will be appointed as an **Physical Stock Verifiers** of the company.
- The selected bidder shall accept the Letter of Award unconditionally, within seven (7) days from the date of issue of the LOA.
- Upon acceptance of the LOA, the selected bidder shall be required to sign up an agreement with MPPKVVCL on a non-judicial stamp paper of Rs. 500/-, at Barwaha within fifteen (15) days of acceptance of LOA, containing overall terms and conditions which shall be binding on the firms. Draft agreement shall be made available on the date of pre bid meeting. Cost of the stamp and revenue stamp affixed on the agreement shall be borne by the applicant. MPPKVVCL, Barwaha shall not reimburse these costs.
- The selected bidder shall commence the work of **Physical Stock Verifications** as per the program issued by Area Store Barwaha MPPKVVCL, after the signing of the agreement.
- If the selected bidder:
  - Fails to accept the LOA within the prescribed time;
  - Fails to complete the contractual formalities within the stipulated time period; or
  - Fails to commence the work as per the program.

Then in such cases, Area Store Barwaha MPPKVVCL, Indore reserves the right to cancel the offer made to such firm, forfeits its EMD and may also blacklist the bidder.

The selected bidder shall not sublet the work of **Physical Stock Verifications** to any other party. Any violation of this provision would make the contract liable for termination.

#### 4.8 PROPOSAL CURRENCY

Prices shall be quoted in Indian Rupees only.

#### 4.9 PERFORMANCE SECURITY

The successful bidder needs to submit a Performance Security equivalent to five percent (5%) of the Annualized Quoted Fees in the form of a DD drawn on a scheduled bank in favor of MPPKVVCL, payable at Indore, within seven (7) days from the date of acceptance of the LOA by the Successful Bidder which shall be refunded within three (03) months after the successful completion of the assignment.

Failure to commence the Stock Verifications as per the program issued by MPPKVVCL shall entail the forfeiture of performance security and cancellation of the LOA.

#### 4.10 PRE BID CONFERENCE

Interested Bidders may attend the pre-bid conference on dt. 23.02.2017 at 11.00 AM. at the following address: Office of The Executive Engineer (Store) MPPKVVCL, Area Store Barwaha, for clarification of any doubts of the prospective bidders regarding the Enquiry document. The prospective bidders may attend such meetings through their authorized representatives. Those prospective bidders who may find



themselves unable to attend the pre-bid clarification meeting in person may send their queries either by post or facsimile or by courier at the above mentioned address.

#### **4.11 CLARIFICATION/ FURTHER INFORMATION**

The Bidders may seek clarification on the Enquiry document by making a request in writing, submitted to the person addressed below, either in person, or through registered post / courier, or through email, in the format prescribed in Annexure-7 till the last day of sale of the Enquiry documents as per the details provided below:

Designation:	Executive Engineer (Store)
Address:	Area Store MPPKVVCL Maheshwar Road, Near 220 KV Grid, Barwaha
Phone No.:	07280-290091
Email:	storebarwaha@gmail.com

MPPKVVCL, would duly acknowledge the queries received by post, courier or by facsimile and provide response to the clarifications sought by the prospective applicant at its discretion.

#### **4.12 AMENDMENT TO THE ENQUIRY DOCUMENT**

At any time prior to the last date for sale of the enquiry document, Area Store Barwaha may amend the enquiry document by issuing necessary addendum. Addendum issued shall be part of the enquiry document.

The addendum will be notified in writing to all prospective Bidders and also uploaded on the official website of the Distribution Licensee.

Such amendments, clarifications, etc. shall be binding on the Bidders and will be given due consideration by the Bidders while they submit their Bid.

In order to give Bidders reasonable time to take the above amendments into account in preparing their Bid, MPPKVVCL may, at its discretion, extend the Bid Deadline.

#### **4.13 RIGHT TO ACCEPT/REJECT ANY OR ALL BIDS**

Area Store Barwaha reserves the right to accept or reject any or all the proposals, or cancel the bidding process and reject all the proposals at any time prior to the award of contract, without thereby incurring any liability to the affected bidders or any obligation to inform the affected bidders of the grounds of such action. L-1, L-2, L-3 not necessary.

#### **4.14 ASSOCIATION WITH INDIVIDUAL CONSULTANTS**

The Bidders may associate individual consultants for the technical guidance in the field or for any other specialized work, if required and a copy of the agreement to the effect defining the scope of work etc. should be submitted along with the application. The cost of the hiring the individual consultants shall be borne by the bidder himself, Area Store Barwaha shall not be liable for any work of the consultant during the course of stock verification.

#### **4.15 COMMENCEMENT OF SERVICES**

After signing the agreement the selected bidders shall commence the performance of services as per the program issued by Area Store Barwaha

#### **4.16 CO-ORDINATION AND FOLLOW UP OF STOCK VERIFICATION WORK**

Executive Engineer (Store), MPPKVVCL, Barwaha will be in charge of co-ordination of Stock Verifications work. The successful bidder, after award of work is required to approach the officer concerned on all matters for smooth and effective conduct of Stock Verifications. The term coordination covers the entire gamut of activities viz., finalization of Stock Verifications programme, discussions and acceptance of deliverables, settlement of payment, dispute resolution as per the contract terms etc.

#### **4.17 SUSPENSION OF SERVICES**

MPPKVVCL, Indore, reserves the right to suspend the selected bidder by a written notice and suspend all payments to the selected bidder, if the selected bidder fails to perform their obligation in the assignment.

#### **4.18 PAYMENT SCHEDULE/ PROCEDURE FOR RELEASING OF THE FEES:**

The payment to the Physical Stock Verifiers at the division level shall be made by the Area Store Barwaha

##### **a) Payment Schedule for the Stock Verifiers Fees:**

- The bill will be submitted after within 7 days along with the certificate of completion after completing work annexed I Annexure-11, and after submission of the same, 90% payment against reports submitted for a complete Stock Verifications cycle per store as per the program issued will be made, which will be based on the following:-
  - A copy of all reports along with acknowledgement of reports submitted to Division (signed by E.E.(Store)) shall be submitted with the invoice.
  - A summary of discussion with the storekeeper and E.E.(Store) upon the reports of that store division and a certificate of the E.E.(Store) shall also be submitted along with the invoice.
- The balance 10% may be released within three months from the date of first payment released.
- The date of completion shall be reckoned from the date of submission of final Stock Verifications report to the S.E. (Stores), MPPKVVCL, Indore.

#### **4.19 SUBMISSION OF BILLS**

The payment as per payment terms above shall be released by the Senior Accounts Officer, Sr.A.O. MPPKVVCL, Khandwa. Within reasonable time from the date of receipt of the bill or as per queue whichever is later. The bill should be submitted as per following instructions:

- 4.19.1 The bill should be submitted in triplicate to Area Store Barwaha with the Annexure-1 in soft & hard copy.
- 4.19.2 The bill should be submitted on within 7 days, after completion of stock verification work.
- 4.19.3 If CA/ICWA Firm fails to perform the Stock Verifications of any office as per the scheduled program, the list of such offices should be separately enclosed along with the bill.

After satisfactory completion of the work, the bill shall be passed and forwarded to the Senior Accounts Officer, MPPKVVCL, for pre-auditing the bill and arranging payments within reasonable time as per

queue.

#### **4.20 PERFORMANCE STANDARDS**

4.20.1 The Stock Verifiers shall be responsible for the completion of Stock Verification for all the stores as per the Scope of Work in the Enquiry Document.

4.20.2 The Stock Verifiers shall follow all SIA (Standards of Physical Stock Verification).

- The Stock Verifiers is expected to apply reasonable degree of care and diligence while performing the Stock Verification. He should ensure that the work is progressing and being performed in compliance with the agreement.
- In case of any negligence found on the part of Stock Verifiers, or the work is not carried out in accordance with the terms & conditions of the Enquiry or scope of work is not adhered to by the Stock Verifiers, MPPKVVCL reserves the rights reject the Stock Verification report and to deduct a suitable amount from Stock Verification fees/incentives payable to Stock Verifiers. The Performance review parameters as laid down in **annexure** 10 shall form the basis of determination of the performance standard of the Stock Verifiers, but MPPKVVCL's decision shall be final in this regard.
- Substantial Failure of the selected bidder to perform the agreement may even cause to terminate the agreement. In this event, the company may require the bidder firm to reimburse the monies paid (based on the identified portion of the unacceptable work received) and shall seek charges for associated damages.

#### **4.21 ESCALATION**

No escalation charges or additional amount whatsoever shall be paid to the selected bidders

#### **4.22 DISPUTES**

The following clause titled 'Disputes' shall be a part of the agreement to be entered into with the respective selected bidders for each group. This Clause does not prevent either party commencing or pursuing court proceedings to protect the rights of confidentiality and in respect of the Confidential Information of that party.

In the event of any dispute or difference arising between the parties, relating to the scope of work, meaning or effect of the Agreement or any other clause or in respect of the rights and liabilities of the parties or other matters specified therein or with reference to anything arising out of or incidental to this agreement or otherwise in relation to the terms, whether during the continuance of this agreement or thereafter, such disputes or differences shall be endeavored to be solved by mutual discussions.

- In the first instance, the Dispute will be referred to the S.E. (Stores) resolution;
- If the S.E. (Stores) cannot resolve the Dispute within 7 Days (or such other period as may be agreed between the parties), the Dispute will then be escalated to the CFO (MPPKVVCL)

For the avoidance of any doubt, any communication between the parties arising out of or in connection with the above procedure will be without prejudice and will be treated as confidential.

## **5. SCOPE OF WORK**

### **5.1 BACKGROUND**

**Madhya Pradesh Pachim Kshetra Vidyut Vitaran Company Limited**, with its office at Indore is a Power Distribution Company incorporated under the provisions of the Companies Act, 1956 (now Companies Act 2013) and is a Government of Madhya Pradesh Undertaking, post un-bundling of Madhya Pradesh State Electricity Board in 2005, as a part of the MP power sector reforms.

The Area Store Barwaha intends to appoint Physical Stock Verifiers, by engaging the Firms of Chartered Accountants with a view to bring in a professional approach in the Physical Stock verification List of item

## 5.2 OFFICES FOR PHYSICAL STOCK VERIFICATION :

- Appointment of Physical Stock Verifiers:

The company desires to engage reputed Chartered Accountant firms, as Physical stock Verifiers at the store division. A firm of Chartered Accountant shall be appointed for each Group, which shall be responsible for the Physical stock verification of all the listed Offices as per the Scope of Work within the Group for a period of 2 Financial Years i.e. for FY 2016-17 & FY 2017-18.

- Frequency of stock Verification of Offices:

For all offices operating under the Group of which the CA firm is appointed as the Physical stock Verifiers shall be required to be audited as per the Scope of work and TOR of the Enquiry document. The Physical stock Verifiers shall carry out Physical of stock verification as per the following scope of all the offices in the Circle Office(s):

S. No.	Scope of Work	Name of Offices	Periodicity/ Reporting of Stock Verification	No. Of Days of stock verification *
1	Physical Stock Verification of Stores	Area Store Barwaha of WZ company	Yearly	15 days

\*The number of days of Physical Verification above indicates the number of days an stock verification team shall require to stock verification the all store Office as per the Scope of work above.



### 5.3 STRUCTURE OF STOCK VERIFIER PARTY

- The selected bidder firm shall be required to depute one audit team for the STOCK VERIFICATION of stock verify of store , covering the entire scope of audit consisting of one (1) Stock Verifier Officer and (7) Stock Verification Assistants for each store.
- The Stock Verifier Officer shall have any of the following as minimum qualification  
C.A. with at least two (2) years of experience;

OR

C.A. (Inter) with at least five (5) years of experience;

(Number of years of experience will be considered from the date of the issuance of mark sheet)

- All the documents of the ) stock verifier team verifying their educational background like mark sheets, certificates etc. will be verified by the Company. The audit team of the selected Bidder firm shall carry original and duplicate copy of their certificates.
- Along with the Stock Verifier team as mentioned above, the Bidder shall have a Team leader who should be a Fellow Chartered Accountant (FCA) responsible for the supervision and overall monitoring of the team.
  - o It shall arrange all necessary information for the stock verifier team from time to time.
  - o Effectively supervise and control the stock verification work. For each location.
  - o Effectively discuss the stock verification points with the E.E.(Store) and obtain detailed and meaningful explanation.
  - o Ensure the work shall be as per the Scope of Physical stock verification and completion of the stock verification as per the schedule.
- The appointment of the stock verification team and the team Leader shall be made on the basis of the credentials, experience and capability as furnished by the participating firm for the purpose of evaluation along with the technical proposal.

### 5.4 MANDATES FOR THE BIDDER FIRM

The bidder firm shall assure that there should be no change in stock verification officer except for unavoidable circumstances like resignation etc. to ensure proper flow of work. Also, frequent changes in the stock verification team should be avoided.

Identity card will be issued to the team members of the selected bidder firm by MPPKVVCIL, Indore.

### 5.5 TERMS AND CONDITIONS

- The Team leader shall mandatorily be present in all meetings and discussions for Area Store Barwaha
- The selected bidder firm shall be during the tenure and execution of the work shall report to the Area Store Barwaha
- During the course of stock verification there shall be regular meetings once in a 2 to 3 Days between the Area Store Barwaha and the senior partners of the firm to discuss and review upon the issues.



- The selected bidder firm shall be required to report the outcome of their activities to the Area Store Barwaha
- The selected bidder firm shall maintain a record of the activities being undertaken by them during the course of the Physical stock verification of the store division Office. A summary of the work undertaken, completed and items pending shall be submitted to the Area Store Barwaha at the end of stock verification of each the store division office. This shall also form basis for the performance review of the bidder firm. Such record should be readily available for inspection at all times.
- The selected bidder firm shall be obliged to maintain complete secrecy and not to disclose any matter which comes to its knowledge while conducting Physical stock verification, to any third party, which may affect the interest of the Company adversely.
- It may be ensured that this assignment is carried out only through employees of participating firm. If it comes to our notice that the assignment has been carried out by any other firm/persons, the appointment is liable to be cancelled.
- The selected bidder firm shall be responsible for data collection for the purpose of stock verification. It should ensure that the data collected and analyzed justifies the findings and recommendations as provided by the stock verifiers.
- The selected bidder firm shall ensure the adequacy and effectiveness of the Company's ERP system of Physical Controls, any deficiency in the controls and other procedures to ensure the same should be brought to the knowledge of the Area Store Barwaha along with necessary steps to be taken to rectify the same.
- For Stock verification labors required will be provided for counting 08 Nos. per day for 10 days in every Area Store.

#### **5.6 OFFICE SPACE AND STATIONERY**

The E.E.(Store) shall provide all sitting arrangements including furniture and office equipment, stationery etc at every Area Store, free of cost to the stock verifiers for its bona-fide use only.

#### **5.7 CONFIDENTIALITY**

The Physical stock verifiers should maintain complete secrecy of records. He shall treat confidential information as confidential and shall not disclose any matter which comes to its knowledge while conducting Physical stock verification to any third party. He shall undertake to effect and maintain the same adequate security measures to safeguard the confidential information from unauthorized access, use and misappropriation.

#### **5.8 TERMS OF REPORTING**

##### **Deliverables:**

Reporting and Deliverables shall form an important part of this assignment. Following points shall be considered:

- 5.8.1 One **composite Physical stock verifiers Report** shall be prepared covering all the aspects covered/ taken up during the stock verification in different sections. Thus in one visit to an Store Division, the stock verifiers for the particular year will be taken up and completed in all respects.
- 5.8.2 Without prejudice to the extent and scope of the services and deliverable as mentioned above, following shall be the key deliverables in case of each Store Division stock verification :
  - o **Test stock verification Report, Test stock verification Note and Half Margin :**

As soon as the stock verification of an Store Division is completed the TAR, TAN should be prepared. The TAR and TAN along with the Annexure, Half Margins and all other related details shall be submitted to the Area Store Barwaha

5.8.3 Any Physical stock verification Report shall be sealed and signed by the any Partner of the Consortium Leader Firm only. Any report/ correspondence by any other firm which is signed or sealed by any other firm shall not be entertained by MPPKVCL, Indore

5.8.4 The Reports shall be submitted as per clause 4.

5.8.5 In the event of non-submission or improper/ incomplete submission of the report the penalty @0.5% per week subject to maximum 10% of the total value of the work shall be imposed. Area Store Barwaha reserves the right to reject the Physical stock verification report, in cases where the observations in the Physical stock verification Report are found to be dissatisfactory based on the Performance review parameters as laid down in annexure 1

### **5.9 Terms of Reporting:**

5.9.1 The stock verifiers shall be submitting their yearly action plan to the Bidder firm for the stock verification of each store of the company as per the Scope of Work mentioned in the document falling under his purview as Physical stock verifiers.

5.9.2 Non-cooperation at any point of time during the stock verification tenure shall be brought to the notice of the EE (Store) , for immediate action.

5.9.3 However, if no action is taken by the E.E. of the respective Division to resolve the issue, the same shall be brought to the notice of the SE (Store) Indore confidentially.

5.9.4 The Stock verifiers Party shall have to mandatorily visit the stock verification Office during office hours for the Physical stock verification as per the schedule for a minimum number of days as prescribed.

5.9.5 The Team Leader shall be responsible for the supervision and satisfactory completion of the Physical stock verification of the company.

5.9.6 The stock verification shall be completed in the prescribed time schedule. However in the event of non-completion of the work in the stipulated time period due to unforeseen conditions, the stock verifiers firm will be required to apply for grant of additional time period. Request of extension of time period desired by the stock verifiers firm shall be considered only if reasonable and justified ground exists at the sole discretion of SE (Store) MPPKVCL, Indore.

### **5.10 CLOSURE OF CONTRACT:**

5.10.1 The final bills to be settled as expeditiously as possible.

### **5.11 STATUTORY COMPLIANCES:**

5.11.1 Physical presence of Physical stock verifier at the time of annual inventory. You have to give your comments and be a party to sign the verification report. You can suggest the methods/procedures to improve upon current practices of inventory verification. Comments on compliance report submitted by the individual office for previous Physical stock verification Report.

  
Executive Engineer(Store)  
Area Store MPPKVCL Barwaha

## 6. ANNEXURES

### ANNEXURE 1

#### (A) DETAILED LIST OF OFFICES:

Name of office	Total Number Of Items(Approx)
Area Store Barwaha	160 Nos.
Total	160 Nos. Items

## ANNEXURE 2

### Format for Price Bid

Price Bid for the Group \_\_\_\_\_ (Please mention 'A' 'B' or 'C' whichever is applicable)

2016-17, 2017-18 (stock verification)	
Fees in Rs.	
1	Basic Rates/Fees for item verification of Area Store Barwaha for a year including all T.A. /D.A., Lodging, Boarding, out of pocket expenses etc. complete as per all Terms and conditions mentioned in the Enquiry Document.
2	Taxes and Duties
3	Total Quoted Fee for Two Years (A)

Quoted Price =

Annualized Quoted Fees

Total Number of item verification of Area Store Barwaha

Annualized Quoted Fees per item verified store division Office

(A)

(B) = (A)/2

(C)

(B)/(C)

(To be signed by an authorized signatory of the Bidder Firm / Consortium Leader, along-with seal of firm)  
Title of Authorized Signatory

Name of Firm  
Date and Place

#### NOTE:

1. The Price Bid shall be submitted as a 'fixed price' quote for the deliverables specified in this document along with the detailed cost break-up as specified above.
2. The Bidder quoting the lowest Annualized Quoted Price per Office shall be given the highest score i.e. 100, the score of the other bidders will be worked out as per clause 7.8 of the Enquiry document.
3. All prices should be in INR and shall be specified in both figures and words.
4. It may please be noted that payment shall be released, as specified above in the Enquiry Document, subject to satisfactory progress of the work.
5. If there is a discrepancy between words and figures, the amount in words will prevail. However, if the amount quoted in words is not legible or not clear in meaning, MPPKVCL, Indore may consider the amount quoted in figures as final. Such offers may also be rejected at the sole discretion of MPPKVCL, Indore.

## ANNEXURE 3

**Covering Letter for submission of Bid**  
**(The covering letter is to be submitted by the Bidder on its Letterhead)**  
**(To be kept in envelope 1)**

**Date:** .....

To,  
The Executive Engineer (Store)  
Maheshwar Road,  
Near 220 KV Grid,  
Barwaha

Dear Sir,

**Sub: Bid for Appointment of Physical Stock Verifiers at the store division Level, MPPKVCL, Barwaha**  
**(Enquiry Specification No EE/S/16-17/PUR/19/1278 Barwaha DT 15.02.2017)**

In response to the Notice Inviting Offers, dated 15.02.2017 issued by MPPKVCL, we offer PROPOSAL to participate in the bidding process for selection of the "Physical Stock Verifiers at the the store division Level."

We are submitting this PROPOSAL on our own. If selected, we understand that it would be on the basis of the organizational, technical, financial capabilities and experience as specified in the Enquiry document.

We understand that the basis for our qualification will be our PROPOSAL, and that any circumstance affecting our continued eligibility under the Enquiry document, or any circumstance which would lead or have led to our disqualification under the Enquiry document, shall result in our disqualification under this process.

We understand that you are not bound to accept any or all our PROPOSALS you receive.

We declare that we have not entered into any sub-contracting arrangement with any other person or firm including the other Bidders for the assignment, in connection with the preparation and/or submission of our PROPOSAL for the assignment, or preparation of the bidding documents.

We submit herewith, authenticated copies of the firm's Partnership Deed (as applicable).

We declare that we have disclosed all material information, facts and circumstances to the MPPKVCL, which would be relevant to and have a bearing on the evaluation of our PROPOSAL and selection.

We acknowledge and understand that in the event that MPPKVCL discovers anything contrary to our above declarations; it is empowered to forthwith disqualify us and our PROPOSAL from further participation in the process.

For information/ clarification Mr. .... (Name of the Partner) , address, email id, telephone number may be contacted.

We hereby state that we have read and understood the terms and conditions of the Enquiry document and agree to abide by the same. We further agree to undertake the said assignment to the satisfaction of MPPKVCL, Indore and as per the terms and conditions of the Enquiry document.

Yours faithfully,  
Partner of the Bidder Firm / Consortium Leader  
Name & Seal of Signatory  
Address:

**Note: Partners of the Partnership Firm will sign the letter.**



#### ANNEXURE 4

Letter for submission of cost of Enquiry document and EMD  
(The covering letter is to be submitted by the Bidder on its Letterhead)  
(To be kept in envelope 1)

Date: .....

To,  
The Executive Engineer  
(Store) Maheshwar  
Road,  
Near 220 KV Grid,  
Barwaha

Dear Sir,

Sub: Bid for Appointment of Physical Stock Verifiers at the store division Level, MPPKVCL, Barwaha  
(Enquiry Specification No EE/S/16-17/PUR/19/1278 Barwaha, Dt. 15.02.2017)

We are enclosing the following:

- a. <Bidder to insert this Clause if applicable> Account payee Demand draft drawn on ..... <Bidder to insert name of the Bank on which drawn> for Rs. 1,000/- (Rupees one thousand only), drawn in favor of "Sr. Accounts Officer (SR), MPPKVCL," payable at Indore, towards cost of Enquiry document.
- b. Account payee Demand draft drawn on ..... <Bidder to insert name of the bank on which drawn> for Rs.1,000/- (Rupees One thousand only), drawn in favor of "Sr. Accounts Officer MPPKVCL," payable at Khandwa, towards Earnest Money Deposit.

#### Enclosures:

1. ....
2. ....
3. ....

Thanking You,

.....  
(Signature of Partner of the Bidder Firm / Consortium Leader)

Name...  
Date...  
Place...

## ANNEXURE 5

### Bidders Background and Qualifications

#### (A) Details of the Bidder Firm / Consortium Leader

1	Name of the Firm	Latest Partnership Deed
2	Address of the Head Office of the Firm ( Phone No., Email id, fax, Mobile No., Address)	
3	Firm Registration No. (as mentioned in the constitution certificate)	Latest constitution certificate of the Firm issued by ICAI
4	Date of Establishment of Firm	-do-
5	Date of Formation of Partnership Firm in case initially established as Proprietorship Firm	-do-
6	Whether the Head Office is in Indore	-do-
7	Whether any Office of Operation is in the distt. where Store Division of the company situated.	-do-
8	No. of Branches of the Firm	
9	Address of Branches with the Date of Opening	
10	Number of Partners	
11	Number of Full-time Partners with the firm	
12	Name of the Partners in the firm along with their membership number issued by ICAI, and the year of association with the firm	
13	No. of CA on the role of the bidder	
14	No. of other paid staff on the role of bidder	
15	No. of Articles Trainees	
16	Team Leader to be assigned on the assignment with their qualification	Bio-data with experience of the Team Leader
17	No. and name of the Professionals to be provided by the bidder on the assignment.	Bio-data of the Audit Officers to be assigned on the assignment.

**(B) Financial Statements of the bidder**

**Details of the Bidder Firm / Consortium Leader**

S.No.	Particulars	2013-14	2014-15	2015-16
1	Total Assets			
2	Total Liabilities			
3	Net worth			
4	Annual Turnover			
5	Total expenditure			
6	Depreciation			
7	PBT (Profit before tax)			
8	PAT (Profit after tax)			

**Note:**

1. Attach copies of the audited financial statements of the last 3 financial years.
2. Attach photocopies of Income Tax returns of the firm for last 3 financial years.

**(C) Credentials of the Bidders**

a) A brief "Profile" of the Firm's Practice and experience giving the following details clearly:

- Details of the assignment / projects undertaken by the bidder in the last 10 years with the following information

1	Assignments undertaken.
2	Form of organization (Partnership/ Proprietary/Company).
3	Nature of Operation of the organization
4	Experience/Completion/Certificates of Statutory / Physical Audit from at least three clients out of the Clients as mentioned above.

- Curriculum Vitae of the Individual Experts, Team Leader and the Stock Verifier Officers proposed on the engagement.

## ANNEXURE 8

(This undertaking is to be submitted along with the Technical Bid.)

(This undertaking should be on a non-judicial stamp paper of requisite value duly notarized)

To,  
The Executive Engineer  
(Store) Maheshwar  
Road,  
Near 220 KV Grid,  
Barwaha

Dear Sir,

Subj: Bid for Appointment of Stock Verifiers for Area store division, MPPKVVCL, Barwaha (Enquiry Specification No. EES/16-17/PUR/19/1278 Barwaha dtd. 15.02.2017.

This undertaking is submitted in respect of the appointment of Physical Stock Verifiers for Area store Office of MPPKVVCL, Barwaha, in response to the Enquiry document dated 15.02.2017 issued by MPPKVVCL, Barwaha and subsequent amendment thereof.

We hereby confirm that:

1. We have never been blacklisted by any Government Department or Public Sector Undertaking of any State Government in India or the Government of India for practicing in India.
2. We have no pending or contemplated legal suit or criminal cases on grounds of turpitude or for violation of any other law in force.

We understand and agree that if the information mentioned above is found to be incorrect at any stage of this Bidding Process, our Bid shall be considered as non-responsive and rejected accordingly. If this undertaking is found to be incorrect post the issue of LoA, then such LoA issued shall be cancelled and the contract terminated, without any liability to either Party. Under such circumstances, however, we acknowledge and accept the right of MPPKVVCL, to encash our EMD.

We further understand and agree that if the stock verification is awarded to us and this undertaking is found to be incorrect after execution of the work, the order of appointments stands terminated, without any liability to either Party. Under such circumstances, however, we acknowledge and accept the right of MPPKVVCL, to encash our security deposit.

.....  
(Signature of the Partner of the Firm/ Consortium Leader)

Name...

Date...

Place...