

ARTIFICIAL LIMBS MANUFACTURING CORPORATION OF INDIA
G T Road, Naramau, Kanpur -209217
"TENDER DOCUMENT"

of Tender No. Stock Audit/18-19/dated:06th Dec.2018 Due on 27th Dec.2018

Date:06.12.2018

To,
M/s

1.0 ABOUT THE COMPANY

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 is a manufacturer of aids & appliances for the disabled persons. The corporation is a nodal agency for implementation of ADIP, ADIP-SSA and Rashtriya Vayoshri Yojna (RVY) schemes of Government of India. The corporation has its main manufacturing plant and **Head Office at Kanpur** and other auxiliary production centers are located at **Bhubaneswar, Jabalpur, Bangalore, Chanalon (Punjab) and Ujjain**. The marketing Centers of the corporation are located at **New Delhi, Mumbai, Kolkata, Hyderabad and Guwahati**.

The corporation manufactures all its products in the main plant whereas the products manufactured in its auxiliary plants are Tricycles, Wheelchairs and some tubular products and Marketing Centers are only marketing the products. Amongst the auxiliary plants, manufacturing at Chanalon has been outsourced and hence the inventory at various centers are as follows: -

Sl.No.	Location	Inventory in Form of	Approximate Numbers
1.	Head Office, Kanpur	1. Raw Material 2. Bought Out 3. Work-in-progress 4. General Stores 5. Finished Goods 6. Scrap	600 1300 300 assemblies 2300 450 ---
2.	APCs - Bangalore, Bhubaneswar, Jabalpur, Ujjain	1. Raw Material 2. Bought Out 3. Work-in-progress 4. General Stores 5. Finished Goods 6. Scrap	100 250 25 assemblies 300 300 ---
3.	APC - Chanalon	1. General Stores 2. Finished Goods	100 350
4.	RMC - Mumbai , Hyderabad, Guwahati, Delhi & Kolkata	1. Finished Goods	Up to 100 (M, H, G) Up to 250 (K and D)

2.0 ABOUT THE TENDER, SCOPE OF WORK AND REPORT

The corporation wishes to outsource the physical verification activity at the financial year-end to third party for the **financial year 2018-19** and in case of satisfactory and timely performance; to extend the same to further **two more financial year ending**.

The corporation, while publishing the tender in its website, is also 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.

Sealed quotations are invited containing the following: -

- a) Professional Profile with EMD of Rs 5000.00.
- b) Price Bid.

Sealed envelope mentioning Tender Number & Details addressed to Assistant Manager (Finance), Artificial Limbs Manufacturing Corporation of India (ALIMCO), G T Road, Naramau, Kanpur-209217 should reach by **15:00 Hrs. On 27th Dec.2018**.

The Corporation shall not be responsible for any postal delay and no tender shall be acceptable after the due date and time.

SCOPE OF WORK:

- 2.01 Successful firm shall be required to start the preparatory work by deputing their team on the site for necessary study of movement control of the stocks. It should issue an advisory on proper stacking and movement control in the unit allocated to it by end of February.
- 2.02 For APCs and RMCs, the firms should co-ordinate with Unit In-charge whereas for Head Office, the co-ordination shall be handled by Assistant Manager (Finance & Accounts). Overall coordination shall be done by Assistant Manager (Finance & Accounts) in Head Office.
- 2.03 The firm should conduct quantitative analysis by detailing item-wise opening quantity, inwards, outwards and closing quantity as per financial records and matching the closing quantity with physical stock as per the Bin Card for reporting shortages/excesses.
- 2.04 The movement of the inventory should also be analyzed to report non-moving (more than 5 years) and slow moving inventory (3-5 years) and should also report the actions taken by the Unit in proper disposal/ alternative use of previous years non-moving/slow moving inventory.
- 2.05 Tentatively, manpower required for physical stock taking and verification is at least 75 man-days for Head Quarter, 15 man-days for AAPCs other than Chandalon and Ujjain, 7 man-days for Chandalon & Ujjain and 5 man-days for RMCs at Kolkata, 3 man-days for RMC, Delhi, 2 man-days for RMC, Guwahati & Hyderabad and 1 man-day for RMC, Mumbai. This is however indicative and at least 75% of these man-days are required at the site and balance for report preparation and administrative works. The actual man-days may vary on the efficiency levels; however, these man-days are mentioned for the purpose of reference.

- 2.06 Moreover, indicative number of "A" Class, "B" Class and "C" Class items in Head Quarter and APCs is 10%, 20% and 70% respectively. The Audit Plan should be so prepared that 100% of "A" Class items are covered every year, at least 65% "B" Class items and at least 35% for "C" class items are covered every year in Head Quarter and AAPCs. For RMCs 100% counting is to be ensured.
- 2.07 In order to include the observation of Shortage/ Excess in relation to the Bin Card Quantity, 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.
- 2.08 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.
- 2.09 During the course of audit, discrepancies must necessarily be communicated to the Unit In-charge 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.

REPORTS AND TARGET DATE:

- Final stock audit Complete report (along with PDF File of the all Annexure also) 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 30 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 (latest 25th April) and for Head Office latest by 10th May.
- The Report shall include:
 - a) 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.
 - b) Statement showing Opening, Receipts, Consumption and Closing Stock as per 2.03 and 2.07 above
 - c) List of Slow-moving and non-moving items each category wise along with ageing as per 2.04 above.

3.0 ABOUT THE TENDERER, ELIGIBILITY AND INSTRUCTIONS

ELIGIBILITY:

- 3.01 The tenderer shall be a firm of practicing Chartered Accountant/ Cost Accountant having a valid certificate of practice issued from the respective institutes or a firm of Chartered Accountants/ Cost Accountants. The firm should have at least 1 qualified, 2 semi-qualified and 4 audit staffs reporting for audit at Head Quarter; 1 qualified, 1 semi-qualified and 2 audit staff reporting for audit at APC and 1 semi qualified and 1 audit staff reporting for audit at RMC.
- 3.02 Any shortage in the manpower deployed by the audit firm shall result in commensurate

deduction in the audit fee finalized.

- 3.03 Cases of non-reporting on the pretext of other audit assignments and consequently delay in reports shall result in liquidated damages being imposed @1% for every week subject to a maximum of 2 weeks.

TENDER PAPERS:

- 3.04 The Tender envelope should contain Earnest Money Deposit (EMD) of Rs 5000.00 in form of Demand Draft / Bankers Cheque/ Pay Order in favour of "Artificial Limbs Manufacturing Corporation of India" payable at Kanpur - Mandatory.
- 3.05 Brief write up (Bio Data/Resume) on the constitution of firm, its partners with the Member's COP, 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.
- 3.06 GSTIN No. - Mandatory.
- 3.07 A signed copy of Tender Documents accepting the scope and deliverables- Mandatory.
- 3.08 Rates for the Stock audit assignment clearly specifying **the rate quoted in figures and in words and taxes**, if any should be spelt out clearly (Price Quoted sheet must be duly signed & stamped). In case no tax is quoted the rates shall be presumed to be inclusive of taxes. Quoting for **any one/all the base station** is acceptable.
- 3.09 The rates are required to be quoted for each center separately as per **Format "A"** enclosed with this tender.

INSTRUCTIONS TO TENDERERS:

- 3.10 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 manpower and resources to conduct the audits and give the report within the time frame.
- 3.11 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.
- 3.12 To arrive at L-1 status, cost to company shall be considered wherein fee, 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.

SECURITY DEPOSIT:

- 3.13 For fulfillment of the contractual obligation of Stock Audit assignment, the successful firm shall deposit Security Deposit of 5% of the total value (after adjusting Earnest Money deposit) of job awarded. The Security Deposit shall be refunded on successful completion of the assignment.

VALIDITY OF OFFER/QUOTATION:

- 3.14 The offer/quotation against this Tender shall be valid up to 45 days from date of opening.

PAYMENTS & OTHER TERMS:

- 3.15 The Bills submitted by the Professional should be duly verified by the concerned Unit In-charge and Assistant Manager (F&A) in case of Head Office.
- 3.16 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.
- 3.17 Payments terms are within 30 days of submission of Report along with the Bill.
- 3.18 Payment shall be made through RTGS/NEFT for which RTGS/NEFT details (along with one copy of blank cancel Cheque) of Firms required at the time of submitting tender.
- 3.19 GST portion in the bill shall be payable on reflection of Input in GST Portal against our GST Number and availing input credit.
- 3.20 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 **2019-20 & 2020-21**.

GENERAL TERMS & CONDITIONS OF TENDER:

- 3.21 Any offer submitted against this tender in deviation from the terms of this tender will stand rejected.
- 3.22 The successful firm shall not sub - contract the stock audit assignment.
- 3.23 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.
- 3.24 Conditional Offer / Quotation shall not be acceptable.

4.0 ARBITRATION

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.

The provision of the latest ARBITRATION & CONCILATION ACT as amended from time to time shall apply to such arbitration proceedings.

Arbitration proceedings shall be held at Kanpur only and the Kanpur City Court will have the jurisdiction in the matter.

Assistant 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.)	Out of pocket expenses (Rs.)	GST@_ % (Rs.)	Total Amount In figure (Rs.)	Total Amount in words (Rs.)
1	Head Quarter, Kanpur					
2	Bhubaneswar					
3	Jabalpur					
4	Bangalore					
5	Chanalon					
6	Ujjain					
7	New Delhi					
8	Mumbai					
9	Kolkata					
10	Hyderabad					
11	Guwahati					

Note: -

- 1) GST (if applicable) needs to be mentioned with applicable rate and whenever rate of taxes will be amended by Govt., it will be paid on actual basis.
- 2) L-1 STATUS shall be decided location-wise on the basis of Cost to Company (net of GST - as GST is available as input credit).
- 3) 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

(Authorized Signatory)

Seal of the firm mentioning Registration Number