



TENDER ENQUIRY
[PRESS TENDER]

माझगांव डॉक शिपबिल्डर्स लिमिटेड
(भारत सरकार का उपक्रम)
MAZAGON DOCK SHIPBUILDERS LIMITED
(A govt. of India Undertaking)
Dockyard Road, Mumbai 400 010
Website- www.mazagondock.gov.in
Certified - ISO 9001: 2008 for Shipbuilding Division

Tender No : 6000000576
Purchasing Executive : AJAY KUMAR SHUKLA
To

Department: OTS(OUTSOURCING DEPT.)
Purchasing Executive: AJAY KUMAR SHUKLA
Telephone No:+91 23763312
Fax No:+91 23743198
Email ID: akshukla@mazagondock.gov.in

Tender Number: 6000000576
Tender Date: 21.08.2015
Tender Closing Date 30.09.2015
Tender Closing Time 15:00:00
RFQ Number: 2110000798

Telephone No:
Fax No:
Email ID:

Tender Fee: Rs 0.00
EMD Amount: Rs 60,000.00
Pre Bid Meeting Date Pre Bid Meeting Time 00:00:00
Tender Opening Date: 30.09.2015 Tender Opening Time: 15:30:00
Offer should be valid up to: 29.01.2016
Security Deposit: 5.00 % of PO value Perf. Bank Guarantee: 0.00 % of PO value

(Kindly read and refer relevant terms & conditions for further details. Do ensure to Quote Department Name, Purchase Executive's Name, Tender Number, Closing date & time and RFQ Number in your Quotation & related correspondence)

Dear Sir / Madam ,

SUB:- TENDERING OF STOCK VERIFICATION ACTIVITY FOR APPOINTMENT OF STOCK VERIFIERS FOR FY 2015-16 AND 2016-17

Mazagon Dock Limited (MDL) invites Competitive - Bid from reputed suppliers for the following in **TWO BID** system (Part I Techno-Commercial Bid & Part II - Price Bid).

Sl.No.	Material/Service Details	Quantity/Unit	Delivery Date
00100	Appointment of Stock Verifiers Service Description : The Line item 00100 covers the following services	1 Activity unit	15.08.2015
0000000010	Service Number:- Short Description:- Appointment of Stock Verifiers	1 Activity unit	

Terms & Conditions as indicated in Part A of this tender and other enclosures / annexures form an integral part of this tender document. We look forward to receive your most competitive and reasonable offer against this Tender.

For Mazagon Dock Shipbuilders Ltd

PART-A

MAZAGON DOCK LIMITED invites online competitive bids from reputed Bidders / Suppliers in **TWO BID SYSTEM** (Part-I Techno Commercial Bid and Part-II Price Bid) on our e-procurement portal <https://mdl.eproc.in> for the following Scope of Work / Supplies, terms and conditions:

1. Description of Services: Tendering of stock verification activity for appointment of Stock Verifiers for FY 2015-16 and 2016-17.

2. The detailed scope of work is enclosed herewith at **Enlosure-1**.

3. PREQUALIFICATION CRITERIA:

List of following scanned image of documents to be uploaded by Bidders along with their offer

- i) Bidder's Company Profile and Shop & Establishment Certificate.
- ii) List of personnel with designation, qualification and experience to determine their capabilities.
- iii) Bidder's audited balance sheets and Profit & Loss account for the last 3 financial years ending 31st March 2012, 2013 and 2014. The average minimum turnover for 3 years should be atleast ₹ **4, 50,000/-**.
- iv) The bidding firm should be a Professional Chartered Accountant firm based in Mumbai and has
 - a) Carried out stock verification work for the last five consecutive years in at least one PSU with over **1000 crores** turnover during the period of audit,

OR

 - b) Undertaken stock verification for the last five consecutive years on behalf of nationalized banks, where the total stock value verified is **500 crores** and above per year.

The bidders have to submit documents in support of above mentioned work.

Note:

- a. Sr. no. (i) and (ii) above not required for permanent registered vendors.
- b. If any cash transaction is included in turnover (statement of profit & loss), the same will not be considered for turnover value
- c. It is clarified that the work executed by the **Bidder** for their in-house or capital use will not be considered for the purpose of bidders' experience of completion of similar works.
- d. Bidders need to Upload supporting documentary evidence in support of the Pre Qualification Criteria viz. **Work Order, Work Completion Certificate** issued by the party for whom the work is done. MDL has a right to verify / cross verification of authenticity of the said documents whenever felt necessary.

4. Earnest Money Deposit (EMD) :

4.1 Bidders shall furnish EMD ₹ **60,000/- (Rupees Sixty Thousand only)** in the form of crossed DD / Pay Order / Bank Guarantee drawn in favour of **MAZAGON DOCK LIMITED** payable at Mumbai. The Bank Guarantee should be valid for 4 more weeks beyond the offer validity period indicated in the tender. The crossed DD / Pay Order / Bank Guarantee should be drawn on Nationalized / Scheduled Banks excluding co-operative banks, payable at Mumbai. Crossed DD / Pay Order issued by Co-operative banks however will be accepted subject to realization. Bidders to advise their bank/banker to send original BG directly to Outsourcing department in sealed envelope. The format of Bank Guarantee for EMD is available on MDL Website.

4.2 Bidders are requested to upload the scanned copy of EMD online along with the bid and forward the original of the scanned copy of EMD enclosed in a envelop addressed to **HOD (Outsourcing), 6th floor, Service Block, North Yard, Mazagon Dock Limited, Mumbai – 400 010**, superscribing Tender No & Tender date by Speed Post / Registered Post / Courier Service/Hand Delivery to reach the office of HOD (Outsourcing) **within seven days from the Tender closing date i.e. on or before 07.10.2015.**

- 4.3** Timely submission of the EMD is the responsibility of the bidders and no reasons / excuses in this regard will be entertained by MDL.
- 4.5** EMD of unsuccessful bidders will be returned after finalization of the tender and shall be interest free. **If bidders are submitting the Bank Guarantee, they are requested to inform us the address, Tel. No. and Fax No. of the issuing Bank.**

4.6 EXEMPTION FROM SUBMISSION OF EMD/BID BOND

Following bidders shall be exempt from submission of EMD:

- a) State & Central Government of India departments and Public Sector Undertakings.
- b) Firms registered with Mazagon Dock Limited (MDL) (Exemption will apply only to items/services for which they are registered). To qualify for EMD exemption, firms should necessarily upload VALID copy of the registration certificate issued by MDL, for the items for which the offer is being submitted. Firms in the process of obtaining MDL registration will not be considered for EMD exemption.
- c) Firms registered with NSIC under its "Single Point Registration Scheme". (Exemption will apply only to items/services for which bidders are registered with NSIC). To qualify for EMD exemption, firms should necessarily upload VALID copy of the registration certificate issued by NSIC. Firms in the process of obtaining NSIC registration will not be considered for EMD exemption.
- d) All Micro & Small Enterprises subject to their submitting the Registration Certificate from the Competent Authority regarding their Micro/Small Industry status.

- 5. Validity Period:** Bids / Offers shall have the validity period of **120** Days from the tender closing date.
- 6. ONLINE SUBMISSION OF OFFER IN TWO-BID SYSTEM:** Offer must be submitted in Two parts, Part - I (Techno-Commercial Bid) & Part - II (Price Bid) on the MDL's e-Procurement website <https://mdl.eproc.in> on or before **30.09.2015** at **15:00 hrs.** **Offer in any other form shall not be considered**

Techno-Commercial Bid Part-I: This part should contain the following documents;

- i) Online Acceptance on clauses of Tender Enquiry in the Prescribed Formats stating 'Accepted OR Deviation' as applicable for each of the clause. For Standard Terms & Conditions (**STACs**) the firm has upload the acceptance format (Encl-7) duly signed and stamped.
- ii) Deviation sheet in case of any deviations from Terms, Conditions specified in the Standard Terms and Conditions, Tender Enquiry & General Terms & Conditions shall be uploaded online.
- iii) Any deviation with respect to Technical requirement shall be uploaded online by the bidder.
- iv) The scanned image of DD / BG towards Earnest Money Deposit (EMD) / BID BOND as stipulated in TEF clause no. 4 shall be uploaded.
- v) Scanned image of Valid Service Tax registration certificate.
- vi) Price schedule blanking the prices but clearly indicating '**QUOTED / UNQUOTED**', also indicating the % of actual taxes/ duties applicable, in the prescribed format available on MDL's e-Procurement website <https://mdl.eproc.in>.
- vii) Bidders / Vendors should upload the scanned documents as applicable and described at para 3 above.
- viii) Scanned Copies of valid Registration or Approval certificates in case of Bidder's firm registered with MDL / NSIC / Micro or Small Enterprises / Industries.
- ix) Scanned images of Vendor declaration form (**Enclosure-4**), details of prequalification documents (**Enclosure - 5**).
- x) Scanned copy of Bank details for payment of NEFT / RTGS as per **Enclosure-3**.

Note:

- a. MDL has a right to verify / cross verification of authenticity of the scanned documents with respect to original submitted against this tender.
- b. The bidder is requested to ensure that all the documents asked for are submitted and are clear, legible & duly signed (i.e. self-attested), as it would save considerable time without necessitating the need for furnishing of the documents again by them. The bidder is also requested not to submit unnecessary documents that are not asked for, like signed & stamped copy of the Tender document, etc.
- c. The bidder is required to compulsorily select "ACCEPTED" or "DEVIATION" from the drop-down field choices available against the relevant Para no. /Clause no. of TEF/STACS/GT&C (as applicable). In case "DEVIATION" is selected against a particular Para no. /Clause no., it would be mandatory to explain the deviation proposed by the bidder in the adjoining text field. Any deviation(s) mentioned elsewhere in the Offer/Bid, other than in the said forms, will not be considered.
- d. Blank Rate Sheet form is required to be filled-up by the bidder online by selecting "QUOTED" or "NOT QUOTED" from the drop-down field choices available, depending upon whether the bidder has quoted for the particular Service/Item tendered. Therein, the bidder is also required to specify the Taxes & duties (if any) quoted & the rate of the Taxes/Duties.

Price Bid (Part-II): In this part bidders are requested to fill the PRICES for each of the listed items strictly in the prescribed format/ Rate sheet provided in E-Procurement Portal. **Offer in any other form shall not be considered.**

7. Bid Rejection Criteria:

- a. Following bids shall be categorically rejected:-
 - i) The Bids received after tender closing date and time.
 - ii) Bids received without EMD (other than those who are exempted from payment of EMD), as specified in the tender.
 - iii) If the date of issue of EMD (DD/BG) is later than the Tender closing date.
 - iv) Bidders not quoting for all the items in the Rate Sheet in the prescribed format available on MDL's e-Procurement website <https://mdl.eproc.in>.
- b. Following bid rejection criteria may render the bids liable for Rejection:-
 - i) Bidder's failure to submit sufficient or complete details for evaluation of the bids within the given period which may range in between two to three weeks depending on the deficiencies noticed in the drawings / technical data which shall not however conflict with validity period. However, over all time allowed in respect of normal procurement shall not exceed 3 weeks and one week in case of emergency procurement.
 - ii) Incomplete / misleading / ambiguous bids in the considered opinion of MDL.
 - iii) Bids with technical requirements and or terms not acceptable to MDL.
 - iv) Bids received without scanned copies of pre-qualification documents wherever required as per the tender.
 - v) Bids not meeting the pre-qualification parameters stipulated in the tender enquiry.
 - vi) Validity period indicated by bidders is shorter than 120 days.
 - vii) Bidders not agreeing to furnish Security Deposit/ Required Contract Performance Guarantee till completion of the services as per contract.
 - viii) Bidders not submitting documents as per clause 6.
 - ix) Bidders not submitting original of the uploaded copy of EMD within 07 days from tender closing date i.e. on or before **07.10.2015** (other than those who are exempted from payment of EMD) as specified in the tender.

- 8. Bid Evaluation Criteria:** L1 will be decided based on overall lowest basis rate sheet. Ranking of Price Bids shall be done on the basis of "all inclusive of Taxes, Duties & Levies". Order shall be placed on the L1 bidder.

Note: In case of any discrepancies observed in any Rate Sheets, or against each item and / or in Grand total in the price bid, evaluation would be carried out by arriving on the grand total by considering the unit rate and quantity indicated in Rate sheets

- 9. Contract Period:** The Contract will be for a period of Two Years and may be extendable for further period of 03 months on MDL discretion on same rates and terms and conditions. However if the performance of contractor is not satisfactory then contract may be terminated with one month notice period by applying relevant clauses of contract such as Risk Purchase, forfeiture of Security deposit etc.
- 10. Mobilization/Execution of Contract:** Mobilization / execution of contract shall be done as per agreed scheduled between MDL and the appointed firm.
- 11. Pricing:** Bidder shall quote the prices of all items listed in the tender enquiry which will be inclusive of all costs such as labour, material, packing charges, transportation, all incidental expenses etc. However the applicable taxes/duties & levies will be indicated separately in the rate sheet. The prices quoted shall remain firm and fixed during the currency of the order/contract.

MDL shall not be bound by any printed conditions or provisions in the bidder's bid forms or acknowledgement of Order/Contract, invoices, packing list and other documents which purport to impose any conditions at variance with or supplemental to Order/Contract.

- 12. Taxes & Duties:** Bidder should indicate the percentage of the Taxes and Govt. levies, as applicable, in the blank Rate Sheet submitted in Part I (Techno Commercial Bid) as well as in Part-II Price Bid.
- 13. Terms of Payment:** Quarterly bills should be submitted after submission of final quarterly report with stock verifier's comments (based on auditee's reply). Such bills will be certified for payment by officer of the rank of CM & above of Internal Audit department. Payment will be made through NEFT/RTGS within 25 to 30 days on submission of bills in triplicate to Invoice Receipt Section along with work completion certificate (SAP Service Entry Sheet copy), duly signed by Chief Manager or officer of above level of by Internal Audit department.

No advance will be paid in any manner against the Contract.

- 14. Site Visit for Quoting:** Prior to submission of your quotation, bidders are requested to visit the site and if any clarification is required bidders may contact **Mr. Bhupendra Singh, CM (Internal Audit)** on Telephone No 2376 2195 and submit duly filled Vendor declaration as per format at **Enclosure – 4** along with the offer.
- 15. Modifications to the Bids:** Bidder will not be allowed to bid after the closing time is over. Bidder can change the submitted bid any number of times till the closing time through e-portal only and the last changed bid will be considered for ranking of the bids.
- 16. Security Deposit:** The successful bidder shall submit a Security Deposit @ 5% of the value of the Order in the form of Demand Draft / Pay Order / Bank Guarantee in the prescribed format drawn in favour of MAZAGON DOCK LIMITED within 25 days from date of Order / Contract. The crossed DD / Pay Order / Bank Guarantee should be drawn on reputed Nationalized / Scheduled Banks excluding co-operative banks and shall be Payable at Mumbai. Any delay in this shall result into charging of interest by MDL on the contract @ prevailing PLR of SBI + 2% on the security deposit amount for the delayed period. The Security Deposit will be returned only after the successful execution of the order / contract. Refund of Security Deposit whenever considered admissible by MDL, shall be without interest only. In case of BG, Bidders to advise their bank/banker to send the BG directly to OTS department in sealed envelope to dispense with additional step of verification of authenticity of signatories.

- 17. Liquidated Damages :** Time is an essence of the contract therefore the job, as ordered, should be completed on the dates mutually agreed upon in accordance with the delivery schedule. In cases of delay not attributable to Purchaser beyond the agreed schedule, the Supplier / Contractor shall pay liquidated damages, a sum representing 0.5% (Half per cent) per week or part thereof, subject to maximum of 5% on the value of delayed job.
- 18. Loading Criteria:** Deviations sought by the bidder in respect of Payment terms and delivery period shall be loaded on the bidder/s quoted prices during price evaluation by MDL as per MDL Norms. It is desirable that the bidder accepts the Payment Terms indicated by the company in the Tender document. Varied payment terms quoted by bidders as compared to the terms stated in the Tender document shall be normalized by loading the Prime Lending Rate of State Bank of India plus 2% on the quoted price.
- Note: Online ranking visible to bidders after opening part II price bids is without loading parameters. However the L1 bidder will be evaluated offline by applying all applicable loading parameters as mentioned in the tender document.
- 19. Freak Low Quotes:** In case after opening of price bid of technically cleared firms, it is noted that L-1 firm has quoted very low rates and indicates to withdraw from the tender then EMD shall be forfeited and firm may be given tender holiday including intimation to other PSUs. If the rates quoted are less than MDL estimates by 40% or so and if the difference in rate between L1 and L2 is 30% or more then the firm will have to give additional BG of 20% of the PO value as additional security. Bank charges for this additional BG shall be borne by MDL and reimbursed against proof of payment.
- 20. Hindrance Register:** All hindrances with date of occurrences and removal shall be noted in the Hindrance Register. The Hindrance Register shall be signed by the reps of both MDL as well as Contractor.
- 21. Risk Purchase:** If the article / service or any portion thereof be not delivered / performed by the scheduled delivery date / period, any stoppage or discontinuation of ordered supply / awarded contract without written consent by Purchaser or not meeting the required quality standards the Purchaser shall be at liberty, without prejudice to the right of the Purchaser to recover Liquidated Damages / penalty as provided for in these conditions or to any other remedy for breach of contract, to terminate the contract either wholly or to the extent of such default. Amounts advanced or part thereof corresponding to the undelivered supply shall be recoverable from the Contractor / Bidder at the prevailing bank rate of interest.
- MDL shall also be at liberty to purchase, manufacture or supply from stock or utilize the services as it deems fit, other articles of the same or similar description to make good such default and/or in the event of the contract being terminated, the balance of the articles of the remaining to be delivered there under. Any excess over the purchase price, cost of manufacture or value of any articles supplied from the stock, as the case may be, over the contract price shall be recoverable from the Bidder / Contractor
- 22. Public Grievance Cell:** A Public Grievance Cell headed by **Shri S. D. Kajawe, General Manager (F-Accounts)**, 3rd floor, Mazdock House has been set up in the Company. Members of public having complaints or grievances are advised to contact him on Wednesday between 10.00 hours and 12.30 hours in his office on 3rd floor, Mazdock House or send their complaints / grievances to him in writing for redressal. His Telephone No. is 23762184 or 23759793.
- 23. Working on MDL Holidays:** Request for permission for working on Saturday / Sunday / holidays if required, should be uploaded 3 working days prior to the date of holiday, to Personnel department and Security through concerned Dept.

- 24.** Bidders can participate in online bidding
- By registering with <https://mdl.eproc.in> for User ID and password.
 - By obtaining class III DSC (Digital Signature Certificate) for secured bidding.
- 25.** Bids received against online participation shall only be accepted. Bids submitted in any other mode will not be considered. Part-I Bid shall be opened on **30.09.2015**. In case of any clarification regarding any tender clause, bidders are requested to contact the undersigned before the closing date of the tender. No clarifications/communication shall be entertained after closing of tender.
- 26.** In case of any clarifications, bidders are requested to contact the undersigned, before the closing date of the tender. Bidders can also contact toll-free customer help line of e-procurement portal <https://mdl.eproc.in>. However, training programme is arranged in MDL Premises on every working Fridays in two sessions (1000 – 1200 hrs and 1400 – 1600 hrs) for prospective/willing Bidders. Please contact Mr. Mahavir Dagade – DGM (C-MP) of MDL on phone no 022-23763252 or Mr. Ravi Gaiwal of M/s C1 India on No. 09619379192 / 022-2376 3251 for DSC (Digital Signature Certificate) and for any other help related to On-Line Bidding.
- 27.** **27.1** To be able to participate in e-Tender (s), every bidder must register themselves on the ASP's website (*registration is free of cost*) & must possess a legally valid Class-II B or above Digital Signature Certificate (DSC) (*also known as Class-II B or above DSC with encryption & signing authority*) as per IT Act-2000, using which they can sign their electronic bids. The DSC can be procured from any Certifying Authority (CA) authorized by Controller of Certifying Authorities (CCA) of Govt. of India.
- 27.2** DSC, valid for one year, for purchase is also available from MDL's ASP, M/s. C1 India P Ltd for MDL's Suppliers on specially discounted price. Contact Ms. Shweta Bodhe – 022 - 6686 5606.
- 27.3** In order to familiarize prospective bidders to e-Tendering / e-Procurement's other aspects, etc., regular orientation training programs {of two (2) hours duration} are being organized at MDL. Details of the MDL Officials concerned for conducting the training program are made available at the top on the web page on MDL's website <http://www.mazagondock.gov.in> → *Work/Service Contracts* → *Tenders*. The interested bidders are requested to get themselves acquainted with all the requisite aspects & be prepared by attending the training by contacting the ASP/MDL official(s). The firms may nominate only one representative from their organization to attend such training. Training shall be conducted every Friday between 2.00 & 4.00 pm in MDL.
- 27.4** Besides the training being organized, online User Manual is available on the website for the guidance of users. & for participating in the e-Procurement/ e-Tendering, the bidder must ensure having the requisite (IT) infrastructure at their office premises.
- 27.5** Bidders are advised to upload their offers well in advance before tender closing date and time to avoid any difficulties in uploading the tenders. Request for extension of due date will not be entertained in last minute for whatsoever reason including hardware/software problems, internet connectivity, system configuration, browser settings etc. Bidder/s intending to submit their bid and not having DSC in order to facilitate uploading of bid well within closing date, should approach the Service Provider (Contact details provided in para **27.6 below**) latest 10 working days in advance of tender closing date requesting for DSC and simultaneously forward the copy of the request to designate MDL dealing officer. In case wherein DSC not received within 3 to 4 working days of the request made to service provider, the Bidder shall inform to GM (OTS) in writing/mail enabling suitable extension of tender closing date subject to intimation is send to GM (OTS) at least three days in advance from tender closing date. Requests for extension of the tender due date for reasons other than delay in receipt of DSC as above will not be entertained.
- 27.6** For any further details of e tendering & digital signatures, please contact, Mr. M S Kumbare, DGM (C-MP) 022- 2376 3252, Mr. Ravi Gaiwal of M/s C1 India on Mobile No.

27.7 Bidders shall abide by all Standard Terms And Conditions for services (STACS), General Terms & Conditions (GT&C) and also abide by the statutory requirements i.e. Official Secrets Act 1923 (Extract), the same can be downloaded from the MDL Website www.mazagondock.gov.in → Tenders → Shipbuilding → Outsourcing. Online acceptance of all clauses of TEF, GT&C and STACs as per formats available on e-procurement portal <https://mdl.eproc.in> shall be done by the bidder along with techno-commercial (Part-I) bid.

- 28.** Entry Pass for Contractors and their workmen: Bidders shall comply with the “**MDL Security Procedures laid down in MDL for entry passes in respect of Contractors and their workmen**” which is available on the home page of OUTSOURCING DEPARTMENT of MDL Website www.mazagondock.gov.in Shipbuilding → Outsourcing → Tenders.
- 29.** MDL reserves the right to consider placement of Order / Contract in part or in full against the tendered quantity.
- 30. Contract Execution:** The Consultant firms have to submit the reports as per mutually agreed work scheduled or as instructed by user dept. For any clarification, interested bidder may contact to **CM (IA)** on Phone no **022-23762195/93**.

We look forward to receive your most competitive and reasonable offer against this tender.

Yours faithfully,
For **MAZAGON DOCK LIMITED,**

**CHIEF MANAGER
OUTSOURCING DEPARTMENT**

Enclosures:

Enclosure -1	Scope of work & General Terms
Enclosure -2	Rate Sheet
Enclosure -3	RTGS/NEFT Format
Enclosure- 4	Vendor Declaration
Enclosure- 5	Details of prequalification documents
Enclosure- 6	Standard Terms & Conditions (STACs)
Enclosure- 7	STACs Acceptance Format

References: (Available on MDL website – www.mazagondock.gov.in → Tenders → Shipbuilding → Outsourcing

i. Official Secrets Act 1923 (Extract)

Formats: Available on MDL website – www.mazagondock.gov.in → Tenders → Shipbuilding → Outsourcing

1. OTS-F-05 Bank Guarantee for EMD
2. OTS-F-07 Order Acceptance Format
3. OTS-F-08 Bank Guarantee for Security Deposit

SCOPE OF WORK FOR STOCK VERIFIERS**1. Scope of work**

There are two category of inventory in MDL. One is coded items and the other one is project specific items. Both the categories are given code nos. of eight digit & 18 digits respectively. In order to assess the quantum of work of these items, a brief summary of items giving details of code nos. and indicative value of stock as on 31st March 2015 is stated at para 6. Physical verification of stock will be conducted throughout the year.

2. Stock Accounting and SAP

In SAP, stock is identified on the basis of unique code assigned to each material. Purchase order number is also available against each material. The materials can be identified on the basis of such unique code & Purchase order number. Stock verifiers can use different t-codes like mb5b, mb51 & mb52 in SAP to get comprehensive data so that physical identification becomes easier.

3. Contents of report

The detailed Audit Report should include the following:

- i) Background
- ii) The method adopted (ABC analysis)
- iii) Details of Physical Verifications of stock and deviations (if any)
- iv) Observations (Critical & General)
- v) Recommendations
- vi) Auditee Comments
- vii) Stock verifier's Comments (based on Auditee's reply)

4. Basis of stock verification as per ABC Analysis

Category	% of stock amount to be checked
A	100
B	50
C	10

5. Quantum of stock verification

- i) Value for stock verification for first and second quarter for Project items and for coded items is as shown below based on the indicative inventory as on 31.03.2015:

Particulars	Value of A category items (70%) (Amount in Rs)		Value of B category items (20%) (Amount in Rs)		Value of C category items (10%) (Amount in Rs)		Total (Amount in Rs)	
	100% checking		50% checking		10% checking		Project items	Coded items
	Project items	Coded items	Project items	Coded items	Project items	Coded items		
Total value	28,898,539,279	882,407,344	8,256,725,508	252,116,384	4,128,362,754	126,058,192	41,283,627,541	1,260,581,920

To be checked in the year	28,898,539,279	882,407,344	4,128,362,754	126,058,192	412,836,275	12,605,819	33,439,738,308	1,021,071,355
To be checked per quarter	7,224,634,820	220,601,836	1,032,090,689	31,514,548	103,209,069	3,151,455	8,359,934,577	255,267,839

- ii) Value for stock verification in 3rd & 4th quarter will be on the basis of stock holding as on 30th September 2015.
- iii) There will be upto 20% increase/decrease in the total value of inventory (as indicated above) for the first year (i.e. FY 2015-16) & upto 50% increase/decrease in the second year (i.e. FY 2016-17).
- iv) Stock verification should be carried out in such a way that all stores are covered in a year. However, verification of ASTL, ETRX, EYSM, EYST & INDG should be carried out twice in a year with a gap of one quarter between the two verification period.

6. Name of stores & Indicative inventory

Stores are situated at MDL Dockyard, Sewree and Anik Chembur yard as shown below:

Storage location	Project Items		Coded Items	
	No of material codes	Amount in Rs	No of material codes	Amount in Rs
ACBL	1,139	194,886,728	0	0
ASTL	20	7,926,034	3,593	1,070,378,621
ATMB	94	6,080,645	0	0
CSSM	117	72,663	2,806	112,219,676
ELEC	1,443	67,352,669	0	0
ETRX	2,218	640,890,464	0	0
EYSM	7,538	13,440,051,208	1	1,745,082
EYST	38,863	25,279,103,046	4	1,592,919
FUEL	0	0	2	496,333
INDG	13,067	600,935,963	0	0
LINN	0	0	110	8,212,274
MNTC	0	0	3,369	5,744,628
PNTS	241	25,547,015	126	11,279,703
ROPE	0	0	71	5,166,938
SEWR	5,426	369,514,413	0	0
STRY	0	0	122	798,116
SYAS	0	0	7	2,663,439
Total	70,166	40,632,360,848	10,211	1,220,297,727

Any additional storage location, if at all created in future will be notified & included in their scope of work. The inventory value storage-location wise is available as on date. However, the base value for verifying 81% of inventory per year will be the amount as appearing in the Material module of SAP as on 31.03.2015.

7. Procedure for Stock Verification

- i) Schedule of stock verification should be submitted to the concerned stores-in-charge at least one week before commencement of verification under intimation to HOD (IA).
- ii) The stock verifier should download stock statement from SAP on the date of verification & undertake physical verification of inventory. Draft stock verification report with discrepancies, if any, should be submitted within 15 days from the first day of verification.
- iii) This draft report should be discussed with the auditee (stores-in-charge) & final report (on the basis of changes incorporated post discussion) should be submitted for auditee's comments within 3 days of such discussion.
- iv) On the basis of auditee's comments, stock verifiers should provide their comments & submit the report to Internal Audit department within 3 days of receipt of such comments from auditee.
- v) An Executive summary (for each quarter) should also be submitted highlighting the main points which will be discussed in the Audit Committee Meeting.

8. Payment terms

Quarterly bills should be submitted after submission of final quarterly report with stock verifier's comments (based on auditee's reply). Such bills will be certified for payment by officer of level CM & above of Internal Audit department. Payment will be made within 25-30 days after certification by Internal Audit department.

9. Contract period

Contract will be for two years i.e. 01.04.2015 to 31.03.2017. Contract will be terminated in case of non satisfactory performance or any other reason with the sole discretion of MDL. Extension of the contract is also at the sole discretion of MDL & subject to satisfactory performance of the firm.

10. Infrastructure & Facilities

- i) All the stores of MDL are open from 8:00 am to 11:30am & 12:30 am to 4:00 pm for stock verification.
- ii) Store keeper will assist in identification of items & records.
- iii) If required, a helper will be provided for lifting heavy materials for counting purpose.

11. General

- i) Only professional Chartered Accountant & Cost Accountant firms based in Mumbai who have carried out stock verification work for last 5 consecutive years in atleast one PSU with over 1000 crores turnover during the period of audit or those who have undertaken stock verification for last consecutive 5 years on behalf of nationalized banks where the total stock value verified is 500 crores & above per year will be considered. The firms will have to submit documents in support of such pre-bid criteria in the technical bid.
- ii) The firm is required to quote their professional fees for one year. These rates will remain firm & fixed till 2016-17. Service tax payable on the professional fees, if any, shall be paid by MDL. The firm will make arrangement for transport & conveyance for

them & their representatives and their quote will be inclusive of transport cost and out of pocket expenses if any. The representatives (stock verifiers) of the firm are not insured by MDL. MDL will provide all necessary assistance and stationery, office equipment, etc for conducting the audit.

- iii) The representatives of the firm should follow the procedure of identification as per MDL policy. Quarterly passes would be issued to them on production of the following documents:-
- i. Undertaking of the Chartered Accountant/ Cost Accountant firm as specified at the beginning of contract i.e. Indemnity bond on firms' letterhead (indemnifying MDL for all consequences, injuries, hospitalization expenses & death) shall have to be executed by the firm.
 - ii. Intimation of the firm about the particulars of Article/Employee as per format duly endorsed/recommended by an officer of Internal Audit.
 - iii. Submission of photo identification by Article/Employee viz. College Identity Card/Pan Card/Driving license, etc.
- iv) The representatives of the firm deployed for conducting the stock verification work of MDL will be provided lunch free of charge in Officer's Mess on all working days of MDL.
- v) Validity of offer will be 120 days from submission of bid. Bid will be rejected if it is received after tender closing date & time. MDL reserves the right to cancel tendering process or any offer without prior intimation or providing any reason/justification.

The representatives of the firm will be required to attend the Audit Committee meetings of MDL. In case, they are required to attend Audit Committee meeting held away from Mumbai, MDL will make necessary arrangements towards travel, lodging, boarding etc as per their levels.

ILLUSTRATIVE RATE SHEET FOR SERVICES:

Sr. No.	Description	Approximate No. of material codes	Approximate Amount of the materials (in ₹)	Amount for 2015-16 (same rate will be applicable for 2016 - 17)
1	Lump sum rate for 'A' category items	1,143	23,688,199,215	
2	Lump sum rate for 'B' category items	1,311	6,718,071,202	
3	Lump sum rate for 'C' category items	1,317	3,350,594,304	
4	Applicable Tax Rate			
	Total	3,771	33,756,864,721	

Note:

- The above Rate Sheet is for illustrative purpose only, bidders has to submit their quotation through mdl e-procurement portal only.

COMPANY'S NAME & ADDRESS:

SIGNATURE:**DATE:****NAME:****DESIGNATION:****BIDDER'S COMPANY SEAL:**

ENCLOSURE-3

**MAZAGON DOCK LIMITED
DOCKYARD ROAD,
MUMBAI – 400 010**

RTGS / NEFT – Mandate Authorisation Form

1.	VENDOR NAME	:	
2.	PAN No.	:	
3.	VENDOR ADDRESS	:	
4.	VENDOR'S TELEPHONE	:	
5.	E-MAIL ADDRESS	:	
6.	BANK NAME	:	
7.	BANK ADDRESS	:	
8.	ACCOUNT NO.	:	
9.	ACCOUNT TYPE	:	
10.	NEFT CODE	:	
11.	RTGS CODE	:	
12.	MICR CODE	:	
13.	VAT NO.	:	
14.	CST NO.	:	
15.	EXCISE NO.	:	
16.	SERVICE TAX NO.	:	

We hereby declare that the particulars given above are correct and complete. If the transaction is delayed for reason of incomplete or incorrect information, we would not hold MDL responsible.

Date **Suppliers Seal** **Authorised Signature of the suppliers**

Certified that the particular as per Serial No. 1 & 6 to 11 are correct as per our records.

Date **Bank's Stamp** **Authorised Signatories of Bank Officers**

Note: The Mandate form duly completed in supplier's letter head may be furnished to the Treasury Section

ENCLOSURE-4

Vendor Declaration

(To be submitted on company letter head only)

We hereby read and understood the terms and conditions of the tender enquiry, general terms & condition given in scope of work and hereby confirm that same are acceptable to us. We also confirm that offered price are in line with scope of work.

AUTHORISED SIGNATORY

NAME -----

DESIGNATION _____

Company/Firm's Name _____

Rubber Stamps & Address of Bidder.

Date _____

Details of prequalification documents

(To be submitted on company letter head only)

We hereby are submitting the following order copies of work executed in the last seven years ending on 30.05.2015 strictly in line with prequalification criteria mentioned in Clause 3 (vi) of the tender enquiry.

Clause 3 (vi)a: The firm should have carried out stock verification work for the last five consecutive years in atleast one PSU with over ₹ **1000 crores** turnover during the period of audit.

Sr. No.	PO no. & Date	Name of PSU Firm	Turn over of PSU firm	WCC certificate (whether submitted / not submitted)
1				
2				
3				
4				
5				
Total				

OR

Clause 3 (vi)b: The firm has undertaken stock verification for the last five consecutive years on behalf of nationalized banks, where the total stock value verified is ₹ **500 crores** and above per year.

Sr. No.	PO no & Date	Name of Nationalized Bank	Value of stock verified	WCC certificate (submitted / not submitted)
1				
2				
3				
4				
5				

Note:

Bidder has to fill up any of the above given option for which vendor has uploaded the PO copies with WCC along with part-1 bid for qualification.

STANDARD TERMS AND CONDITIONS (STACS)

1. AGENTS / AGENCY COMMISSION:

1.1

The Seller confirms and declares to the buyer that the seller is the original manufacturer or authorized distributor/stockiest of original manufacturer of the stores referred to in this Contract and has not engaged any individual or firm, whether Indian or foreign whatsoever, to intercede, facilitate or in any way to recommended to the Buyer or any of its functionaries, whether officially or unofficially , to the award of the Contract / Purchase order to the Seller; nor has any amount been paid, promised or intended to be paid to any such individual or firm in respect of any such intercession, facilitation or recommendation.

The Seller agrees that if it is established at any time to the satisfaction of the Buyer that the present declaration is in any way incorrect or if at a later stage it is discovered by the Buyer that the Seller has engaged any such individual/firm, and paid or intended to pay any amount, gift, reward , fees, commission or consideration to such person, party, firm or institution , whether before or after the signing of this Contract / Purchase order, the Seller will be liable to refund that amount to the Buyer.

The seller will also be debarred from participation in any RFQ/Tender for new projects/program with Buyer for a minimum period of five years.

The buyer will also have a right to consider cancellation of the Contract either wholly or in part, without any entitlement or compensation to the Seller who shall in such event be liable to refund all payments made by the buyer in terms of the Contract along with interest at the rate of 2% per annum above LIBOR (London Inter Bank Offer Rate) (for foreign vendors) and base rate of SBI plus 2% (for Indian Vendors).

The Buyer will also have the right to recover any such amount from any contracts concluded earlier with Buyer.

2. USE OF UNDUE INFLUENCE / CORRUPT PRACTICES:

2.2

The Contractor / Bidder undertakes that he has not given, offered or promised to give, directly or indirectly any gift, consideration, reward, commission, fees, brokerage or inducement to any person in service of the Purchaser or otherwise in procuring the contract or forbearing to do or for having done or forborne to do any act in relation to the obtaining or execution of the Contract with the Purchaser for showing or forbearing to show favour or disfavour to any person in relation to the Contract or any other Contract with the Purchaser. Any breach of the aforesaid undertaking by the Contractor / Bidder or any one employed by him or acting on his behalf (whether with or without the knowledge of the Contractor / Bidder) or the commission of any offence by the Contractor / Bidder or any one employed by him or acting on his behalf, as defined in Chapter IX of the Indian Penal Code, 1980 or the Prevention of Corruption Act, 1947 or any other Act enacted for the prevention of corruption shall entitle the Purchaser to cancel the contract and all or any other contracts with the Contractor / Bidder and recover from the Contractor / Bidder the amount of any loss arising from such cancellation. A decision of the Purchaser or his nominee to the effect that a breach of the undertaking has been committed shall be final and binding on the Contractor / Bidder.

2.2

The Contractor / Bidder shall not offer or agree to give any person in the employment of Purchaser any gift or consideration of any kind as "Inducement" or "reward" for doing or forbearing to do or for having done or forborne to do any act in relation to the obtaining or execution of the contract/s. Any breach of the aforesaid condition by the Contractor / Bidder or any one employed by them or acting on their behalf (whether with or without the knowledge of the Contractor / Bidder) or the commission of any offence by the Contractor / Bidder or by any one employed by them or acting on their behalf which shall be punishable under the Indian Penal Code 1980 or the Prevention of Corruption by Public Servants, shall entitle Purchaser to cancel the contract/s and all or any other contracts and then to recover from the Contractor / Bidder the amounts of any loss arising from such contracts' cancellation, including but not

limited to imposition of penal damages, forfeiture of Security Deposit, encashment of the Bank Guarantee and refund of the amounts paid by the Purchaser.

2.3

In case, it is found to the satisfaction of the Purchaser that the Contractor / Bidder has engaged an Agent or paid commission or influenced any person to obtain the contract as described in clauses relating to Agents / Agency Commission and use of undue Influence, the Contractor / Bidder, on a specific request of the Purchaser shall provide necessary information / inspection of the relevant financial documents / information.

3. ARBITRATION

3.1

Any dispute / differences between the parties arising out of and in connection with the Contract shall be settled amicably by mutual negotiations. Unresolved disputes/ differences, if any, shall be settled by Arbitration and the arbitration proceedings shall be conducted at Mumbai (India) in English language, under the Indian Arbitration and Conciliation Act, 1996. MDL may prefer to have arbitration through Institutes such as Indian Council of Arbitration (ICA)/Indian Merchant Chambers (IMC), in which case appointment of separate arbitrator by both sides and then appointment of third arbitrator will not be required.

3.2

In case of unresolved difference / dispute between Purchaser and Supplier, being a Public Sector Enterprise, shall be referred by either party to the Department of Public Enterprises, as per extant guidelines. (Any changes to arbitration clause must be vetted by CS & LE Department before incorporation in contract/PO).

4. JURISDICTION OF COURTS

4.1

All contracts shall be deemed to have been wholly made in Mumbai and all claims there under are payable in Mumbai City and it is the distinct condition of the order that no suit or action for the purpose of enforcing any claim in respect of the order shall be instituted in any Court other than that situated in Mumbai City, Maharashtra State, India i.e. courts in Mumbai shall alone have jurisdiction to decide upon any dispute arising out of or in respect of the contract.

5. POLICE VERIFICATION OF EMPLOYEES

5.1

The representatives of the firm should follow the procedure of identification as per MDL policy in lieu of police verification. Quarterly passes would be issued to them on production of the following documents:-

- i. Undertaking of the Chartered Accountant/ Cost Accountant firm as specified at the beginning of contract i.e. Indemnity bond on firms' letterhead (indemnifying MDL for all consequences, injuries, hospitalization expenses & death) shall have to be executed by the firm.
- ii. Intimation of the firm about the particulars of Article/Employee as per format duly endorsed/recommended by an officer of Internal Audit.
- iii. Submission of photo identification by Article/Employee viz. College Identity Card/Pan Card/Driving license, etc.

ENCLOSURE-7**STACS ACCEPTANCE (STACS) FORMAT**

To,

**MAZAGON DOCK LIMITED
INTERNAL AUDIT**

STACS CLAUSE No.	BIDDER'S REMARK	STACS CLAUSE No.	BIDDER'S REMARK	STACS CLAUSE No.	BIDDER'S REMARK

COMPANY'S NAME & ADDRESS :

SIGNATURE :

DATE :

NAME :

DESIGNATION :

BIDDER'S COMPANY SEAL:

NOTES :

1. Bidder(s) should carefully read the Standard Terms & Conditions (STACS) included in the tender prior to filling up this acceptance format.
2. This format should be properly filled, signed and returned by the bidder(s) along with their technical offer for considering their Bid.
3. Bidder(s) should indicate "ACC" for Accepted, "DEV" for Deviation Taken for each clause number in the above table.
4. Bidder(s) to attach Separate Sheet indicating all relevant details such as Number & description of the Clause, Reasons for Deviation and Alternative suggested for any deviations taken by them.
5. STACS clause numbers shown in the above format also includes the sub-clauses under these clauses. For example B-5 means – clause nos. B-5.1, B-5.2.