

NIT / TENDER PAPER

**Heavy Engineering Corporation Ltd.**  
**FINANCE AND ACCOUNTS DIVISION**  
**HEAD QUARTER**

Tender No. HEC/FIN/Inventory Audit/2018-02

Dated: 25/10/2018

Tender Fee: Rs. 100.00

**Sub: Notice inviting Tender/offer to conduct Inventory Audit from reputed Chartered / Cost Accountants Firm.**

Date of submission of Tender - 10/11/2018  
Due date of opening of Commercial Bid - 12/11/2018

**GENERAL TERMS:**

- (a) Offers are invited from reputed Chartered / Cost Accountants Firm to conduct Inventory Audit of different units ie. HMBP, FFP, HMTP,  
(b) Offer shall be received in 4 separate envelopes i.e.
- (i) Envelope for cost of tender documents (in case of tender document is down loaded from website)  
(ii) Envelope for Earnest Money Deposit  
(iii) Envelope for commercial bid [ Part-I] containing documents in support of experience and other details towards fulfillment of eligibility/qualification criteria duly countersigned and numbered on all pages by the bidder  
(iv) Envelope for price bid i.e. Part-II containing fees only [amount in INR].  
Part I and Part II should be inscribed on the body of the envelope.

All the four envelopes should be inserted in a separate envelope which will be duly sealed and addressed to SDGM I/C (Finance)/HQ, Plant Plaza Road, Dhurwa Ranchi-4

**NIT Reference no. and Name of Bidder should be written on all the envelopes.**

After opening of main cover the envelope containing cost of tender document (in case of tender document is down loaded from website) and envelope containing earnest money will be opened first and if these are found to be in order as per requirement of the NIT, then only commercial bid [Part-I] of the tender will be opened, otherwise the tender will be rejected without opening Part-I.

(c) Cost of tender documents of Rs. 100 (Rs One Hundred ) only (non-refundable) is to be taken from the applicant who will collect the tender document from the Office of SDGM I/C(Finance)/HQ, Plant Plaza Road, Dhurwa Ranchi-4 during the period of sale of tender

document on payment by Demand Draft(from any nationalized/scheduled bank should be drawn in favour of Heavy Engineering Corporation Ltd, payable at SBI Hatia, Ranchi Branch Code 0207)

Tender documents may also be downloaded directly from the website of HEC <http://www.hecltd.com> in and such applicant while submitting their tender will have to enclose a bank draft of Rs. 100/- (Rupees One Hundred ) only ( non-refundable) towards cost of tender document along with their tenders in a separate envelope.

The Bank draft from any nationalized/scheduled bank should be drawn in favour of **Heavy Engineering Corporation Ltd, payable at SBI Hatia, Ranchi ( Branch Code 0207 )**

Date and time of availability of tender document

From 26/10/2018 to 10/11/2018 from 10.30 hrs (IST) to 13.00 hrs (IST)

Submission of offer 10/11/2018 from 10.30 hrs (IST) to 17.00 hrs (IST)

Opening of Envelops no (i), (ii) & (iii) On 12/11/2018 at 15.00 hrs (IST) in the Office of SDGM I/C(Finance)/HQ in presence of the Bidder or authorized representative of the Bidder who may like to attend the Bid opening.

In case the date of opening of tenders happens to be a holiday, the same shall be opened at 15.00 hrs (IST) on next full working day.

The bidder downloading tender document from website has to note the following in addition:

The Company shall not be responsible for any delay/difficulties/inaccessibility of the downloading facility for any reason whatsoever. The downloading facility shall be available during the period of sale of tender document

The bidders, who will download the tender documents from the website of the company, will be required to pay the cost of tender documents (application fee) by bank draft as per NIT at the time of submission of tenders.

The bidders will be required to submit an undertaking with the offer that they will accept the tender document as available in the website and their tender shall be rejected if any tampering in the tender document is found to be done at the time of opening of tender.

In case of any discrepancy between the tender document downloaded from the website and the master copy available in the office, the later shall prevail and will be binding on the tenderers. No claim on this account will be entertained.

(a) Name, Address, Telephone no., Fax No., Email address of the bidder along with such detail of the contact person of the bidder should be indicated on the first page of the offer.

(b) The complete quotation shall be submitted in the letter heads of the bidders. If firm's letter heads are not sufficient to accommodate commercial details and if other paper is used, such sheets along with other pages of the offer should be signed by the firm's authorized signatory and duly stamped.

(c) Bidder should sign with seal on all pages of their offer including all enclosures submitted with the offers.

(d) Quotations having cuttings, erased and overwritten, will be summarily rejected unless corrections are authenticated with the bidder signatures.

(e) Offer should be submitted strictly as per terms & conditions laid down in Tender /offer documents failing which the offer will be liable for rejection. In the event of the bidder remaining silent on any terms & conditions of the NIT, it will be presumed that the bidder have accepted such terms & conditions.

HEC reserves the right to reject or accept or withdraw their offer in full or part as the case may be without assigning reason thereof.

## **COMMERCIAL TERMS & CONDITIONS**

### **1. Earnest Money/ Security Deposits**

Value of earnest money to be deposited by the bidder shall be **Rs. 5000/- (Rupees Five Thousand)** only. EMD should be in the form of Demand Draft in favour of **Heavy Engineering Corporation Ltd, payable at SBI Hatia, Ranchi Branch Code 0207**, from any nationalized/scheduled bank to be submitted in separate envelopes. For unsuccessful bidder EMD shall be refunded immediately after finalization of the Tender. EMD shall be forfeited if any bidder withdraws their tender/offer after submission of offers. **The security deposit will be 10% of quoted amount.** The EMD of successful bidders will be converted into security deposit and successful bidders have to deposit balance amount in the form of Demand Draft in favour of Heavy Engineering Corporation Ltd, payable at SBI Hatia Ranchi ( Branch Code 0207 ), from any nationalized/scheduled bank. For successful bidder security deposit shall be released after successful completion of the job and submission of satisfactory report at the end of the period. If a Party fails to start the work within the schedule date, the Security money stands to be forfeited without showing any reason thereof.

EMD/Security Money shall not carry any interest.

### **2. Validity of Offer**

Offer shall be valid for 120 days from the date of opening of Part-I.

3. Selection of Inventory Auditor will be made on qualitative and price basis. Weightage points are to be attributed on price as well as eligibility criteria. Weightage are in the ratio of 60: 40 for technical and price.

### **A .Qualification (Experience) Criteria:**

The qualification (experience) criteria for selection of the practicing Firm of Chartered / Cost Accountants for conducting Inventory Audit are as follows:-

- (a) Firms having five years or more experience in practice from the date of registration with Institute of Chartered/ Cost Accountants of India (Photo copy of registration certificate to be enclosed ). Year will be reckoned for 365 days from the date of incorporation / registration of Firm.
- (b) Firms having at least Three Chartered/ Cost Accountants (both Partners and on Payroll) as on date of NIT .The name of the Chartered/ Cost Accountants together with notarized copy of certificate of Chartered/ Cost Accountancy must be enclosed with the offer. List of qualified personnel on roll as on date of NIT is also to be submitted.
- (c) Firms must have at least **Ten** numbers of audit assistant / audit clerk having qualification Inter C.A/ CMA. (Photocopy of Inter C.A. / CMA certificate to be submitted) as on date of NIT.
- (d) Firms must have the experience of conducting Inventory Audit in PSU (Photo copy of the appointment letter along with proof of job done, letter to be submitted as proof of experience).
- (e) Firms must not be debarred from conducting audit by any regulating/statutory/legal authorities. A self declaration to that effect is to be submitted by the applicant.
- (f) Firm which have audit experience in HEC shall be given extra weight for assessment
- (g) Permanent Account Number (PAN) of Income Tax Department and GSTIN in the name of the firm.

The offers received from the Firms of Chartered / Cost Accountants within the prescribed time limit and who have submitted the cost of tender fees (in case of tender document is down loaded from website) and EMD, shall be opened on due date and time for Part I only in presence of intending participant. Part II envelope shall be opened only after fulfilling all the criteria mentioned above and any conditional quotation shall be liable to be rejected.

## Technical/Quality Evaluation Criteria

Criteria	Weightage
Experience from the date of registration 5Yr - 10 Yr 11Yr - 15Yr More Than 15 Yr	<b>10 Points</b> 5 Points 8 Points 10 Points
No of Partners 3 4 - 5 6 - 8 More than 8	<b>10 Points</b> 3 Points 5 Points 8 Points 10 Points
Man Power ( Audit Assistant/Article) 10 11 - 15 16 - 20 More Than 20	<b>10 Points</b> 3 Points 5 Points 8 Points 10 Points
Experience in PSU where Turnover Rs 50 Cr Turnover Rs 50 Cr - Rs 100 Cr Turnover Rs 101 Cr - Rs 300 Cr Turnover Rs 301 Cr - Rs 500 Cr More Than Rs 500 Cr	<b>10 Points</b> 2 Points 4 Points 6 Points 8 Points 10 Points
Experience in HECL Audit work	<b>5 Points</b>

**Please check carefully this following clause:-**

“In case two and more firms remain L1 after evaluation, L-1 shall be decided on the basis of:-

A) Year of establishment of the firm having the oldest date of establishment will be placed in number one position.

B) In case after doing the exercise given in (a) above , two or more Firms get the same position , then the above list will be re-arranged on the basis of number of Chartered / Cost Accountants (Partners and on Payroll ) as **on 01.10.2018**. The firm having highest number of Chartered/ Cost Accountants (Partners and on Pay Roll ) will be placed in number one position and so on .

C) If still even after the exercise mentioned in ( a) and (b) above , two or more Firms get the same position , the list will be re-arranged on the basis of number of assistants as mentioned in 3(c) above . The Firm having highest number of assistants will be placed in number one position and so on.

4. If the L-1 tenderer fails to take up the job or fails in performance of the job as per terms and conditions, the management will have the right to get the job done by L-2 and so on at the risk and cost of L-1 tenderer.”

5. Scope of Work of Inventory Audit for different unit is as below:

**B Brief about Company: [www.hecltd.com](http://www.hecltd.com)**

### **SCOPE OF WORK for HMBP, HMTP & FFP.**

#### **Physical Verification of Inventory.**

1. Physical verification of inventories (Raw Materials + Stores and Spares) of all the units as stated above. Comparison of physically verified inventories available in stores with the same recorded in Bin Card and stores Ledger and furnishing the discrepancies between the inventories physically available and the same recorded in Bin Card and Stores Ledge .Reconciliation of store ledger with bin card balance.
2. Approximate number of items of different plants as on 01.04.2018 is as below. However the actual number of items of inventory may increase or decrease.

Plant	Items
FFP	25022
HMBP	40231
HMTP	<u>28098</u>
TOTAL	93351

#### **3. Period of Inventory Audit:**

Cut-Off date for inventory audit is 01/12/2018.

#### **4. Inventory Audit Report:**

Final audit report unit wise in triplicate. is required to be submitted within one month from the date of awarding the work order

During the course of audit, discrepancies must necessarily be communicated to the Plant in charge in writing.

**6. Audit Fee:**

Fee for the audit is to be indicated by the applicant firms in Part-II (inclusive all Charges of TA/DA, boarding & lodging, transportation, incidental charges etc.) .

In addition to the above, GST will be paid extra.

Income Tax and other statutory levies will be deducted from the bills as per rules.

**7. Payment Terms:**

The bills in triplicate (original copy duly pre receipted) duly certified & accepted by the Nodal Officer should be submitted to paying authority by the auditor after compliance of Necessary formalities. The firm will submit bill Quarter wise in triplicate along with following documents

1. Tax Invoice.
2. Completion certificate.
3. Proof of submission of Report.

Payment of total fees shall be paid within 30 days from the date of submission of Final report of the unit.

**8. Paying Authority:**

Finance-Hqrs /HEC Ltd

**9. CONFIDENTIALITY CLAUSE:** Documents and drawing etc. provided to firm should be used forms inspection purposes only. It should not be used or disclosed by them for any other purposes what so ever it may be even after expiry of contract. Violation of this clause will attract legal action. Successful Tender will have to execute a bond suitable non judiciary stamp paper to honor the confidentiality clause. Controlled copy of the drawing is made available which will be retrieved after inspection.

**10. TERMINATION OF CONTRACT:** HEC reserves the right to terminate the contract at any time during validity period on account of non fulfillment of contract condition, adverse feedback regarding quality of service rendered, indulgence in unethical practice or questionable integrity.

**11. Dispute:**

Any dispute/difference of opinion shall be mutually settled with Nodal Officer. If the dispute could not be settled at Nodal Officer's level, the same is to be forwarded to CMD, HEC for decision which will be final and binding.

*Handwritten signature*

**SDGM I/C (Finance)/HQ**

### Technical Data for Evaluation (Part – I)

General Information/ Documents as on NIT  
(To be furnished by the bidder in Part-I)

S/no	Particulars	
1	Name, Address, Telephone no., Fax No., E-mail ID of Respondent	
2.	Date of Registration of Firm with Institute of Chartered / Cost Accountants of India. ( Certificate of registration / Constitution Certificate is to be enclosed )	
3.	No. of Chartered / Cost Accountants (Partners)	
4.	No. of Chartered/ Cost Accountants On Payroll (Excluding Partners as mentioned at sl no 3.) ( Copy of certificate of Practicing Chartered/Cost Accountants/ is to be attached)	
5.	No.of Audit Asstt./Audit Clerk having qualification Inter CA/CMA (photo copy of Inter CA/CMA certificate is to be submitted).	
6.	Experience of Audit Work in PSU/ Manufacturing Engineering industry being Turnover not less than Rs 50 Cr. ( Documentary evidence in support of Audit work for PSU having highest Turnover is to be enclosed )	
7.	Permanent Account Number (PAN) and GSTIN in the name of Firm only.	
8.	Copy of GST Registration Certificate in the name of the firm.	
9.	Copy of work order in support of work experience in same nature of work.	
10.	Experience in audit in HECL ( Previous letter of appointment in HECL for audit work is to be enclosed )	



**PRICE BID PROFORMA (Part – II):**

UNIT	Total Value in figure	Total Value in word
HMBP , FFP & HMTP		

Total value (all inclusive)

GST Extra as per applicable rate      Total

Signature of the Bidder  
with Date and Seal

**Declaration:**

It is hereby declared that the applicant Firm namely \_\_\_\_\_  
(Applied for Tender) is not debarred from conducting audit by any regulating/statutory/legal  
Authorities.

Signature of the Bidder  
with Date and Seal