

Alcat Logistics Company

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Date : 14-Mar-2021

SERVICE MEMORANDUM

BASIC DETAILS OF SERVICE MEMO

No:	ALC/SM/2020/04	Supplier name	: NA
Nature Service	Hiring External Manpower to support operation for one year	Total value of SM	: Rate per month
Department	Operation Department	Contract period	: Date
Service Type	<input type="checkbox"/> Renewal <input type="checkbox"/> or <input checked="" type="checkbox"/> New Service	Service Memo.	

REASON/OBJECTIVE OF THIS SERVICE

ALC has purchased 22 vehicles from M/s Sharq based on the approval sought from management vide PM Ref No. ALCAT-Logistics/2021/01 Dated 11 Feb 2021. While the vehicles have been acquired, the requisite drivers are not immediately available to ply the vehicles, due to delays in hiring due to VISA constraints and associate sponsorship transfer process delays as a reason of COVID-19 related restrictions. As such, it is proposed to hire the required manpower from M/s Sharq. The SM is prepared for a period of 1 year, as there is no clarity on the VISA issuance, hiring timeline etc. Hiring will be done based on actual requirement.

RISKS/CONCERNS/NON-COMPLIANCE OF SOPs or POLICY

There are not competitive quotes obtained due to immediate hiring from Sharq alongside the purchase of vehicles from them. The average cost per head is QR 2980 as against the market hiring rate of up to ~ 4500 per head.

QUOTED SERVICE PROVIDER DETAILS

No	Supplier Name	Service Description	Currency	Quoted rate	Negotiated rate	Exchange rate	Rate in Qr	Service Period in months	Total - Qr.	Remarks
1	Sharq Primary Materials	Manpower hiring for one year	QAR	65,550	65,550	1.00	65,550	12	786,600	* The quoted rate does not include the overtime and trip money which shall be paid based on time sheet & Trip Sheet.

* All the supported documents are attached herewith

Notes:

1. We are hiring total 22 different category of Manpower in order to support the operation for 22 fleets which is acquired during current year.
2. The payment to the hired employee shall be processed based on the monthly time sheet.
3. Trip money and overtime is to be paid additionally based on work done and time sheet and trip sheet.
4. For the drivers and foreman categories accommodation is to be provided by us.
5. Payment to be processed within one week after receiving the invoice from the vendor.

RECOMMENDED SERVICE PROVIDER

Supplier Name	Negotiated rate	Exchange rate	Rate in Qr	Service Period in months	Total - Qr.	Payment Terms
Sharq Primary Materials	65,550	1.00	65,550	12	786,600	Within one week of receiving the invoice from supplier

Supplier selection criteria(s):








Better quality ☒ Lowest bidder ☒ Reputed supplier ☐ Others (specify) ☐

BUDGET DETAILS

Particulars	Amount (Qr)
Budgeted value for the requested service/expense	786,600
Budget utilized till last purchase	786,600
Balance available for this purchase	(786,600)
Proposed as per this service memorandum	
Surplus/(deficit)	

The Manpower cost for the planned purchase of 22 vehicles is budgeted in the Business plan 2021.

AUTHORIZATION / APPROVAL

						
Manager HR & Operations	Sr. Manager HR & Admin	Gen. Manager	VP - HR & Admin	ZAD Finance	Chief Executive Officer	Board Member