
Terms of Reference

Uttarakhand Public Financial Management Strengthening Project

Consultancy Services for Modernizing and Strengthening Financial Management Systems in Garhwal Mandal Vikas Nigam Ltd. (GMVN)

Background

1. Garhwal Mandal Vikas Nigam Ltd. (GMVN) is a Pioneer organization of Uttarakhand Tourism. Set up in 1976, GMVN is Govt. Of Uttarakhand's Undertaking and has its presence in approx. 90 very beautiful locations of Garhwal region of Uttarakhand. GMVN offers a comfortable stay in some of the best locations of the state, at an affordable price.
2. As of now, GMVN has following sections and is providing following services-
 - a. Tourism Section- GMVN runs 92 TRHs and 06 PRO Offices.
 - b. Marketing Section- GMVN runs 36 Gas Agencies and 3 Petrol Pumps.
 - c. Construction Section - GMVN is a Govt. approved construction Agency, for the projects worth up to INR 10 Cr.
 - d. Projects Section - GMVN runs Joshimath- Auli Ropeway, having a distance of 4.15 Kms.
 - e. Mining Section - GMVN has 99 Lots of mining, ready to use lots are- 45, and we are mining in 17 lots.
 - f. Industries Section - GMVN runs Wood Factory Rishikesh, Concrete Block Srinagar, Fruit Processing Unit Tilwara.
 - g. Transport Section - GMVN runs 10 AC Buses, 4 Non-AC Buses, 5 Tempo traveler and 7 Innova in its fleet.
 - h. Adventure Section - GMVN undertakes activities like Trekking, Mountaineering, Skiing, River Rafting, Jungle Safari, Boating, and Kayaking.
3. Financial management systems and HR operations in GMVN are largely manual. The issues identified are that there is no defined efficient system for collation and aggregation of financial information in GMVN and consequently position of resources (financial, human, assets & consumables) are not readily available thus delaying effective decision making. There is no electronic database for payroll management for the 1290 strong workforce in GMVN. Similarly, accounting processes are manual at the units and head office and financial information is available with a time lag inhibiting faster decisions. Information such as aggregate funds available with GMVN needs to be compiled manually. These procedures are therefore not conducive

in the current environment which requires near real-time information for decision-making. Annual financial statements are prepared with a delay and statutory audit is in arrears from 16-17. The accounts are presently maintained in Tally and a CA is hired to finalize the accounts. An accounting manual is available, but it's not implemented in the field. Also, all field offices are carrying out accounting on manual basis.

4. The present system is not amenable to generate cost-center accounts. Such manual systems are inefficient and not conducive for a company that is endeavoring to modernize itself and be self-sufficient in the absence of government support. It is, therefore, necessary to combine the individual elements of financial management in GMVN into a unified, well-adjusted system and to coordinate its functioning.
5. GMVN is looking to modernize its financial and payroll management system and is hiring a consultant for this purpose. The Government of Uttarakhand (GoUk) has received a loan to finance the Uttarakhand Public Financial Management Strengthening Project (UkPFMS) and intends to apply a part of the loan proceeds for this assignment.

Objective

6. The objective of the assignment is to implement financial management system including a payroll system in GMVN.

Detailed Scope of Work

7. The key activities are:
 - a. ***Study the existing business and financial procedures of GMVN, develop business process reengineering in required areas and document them:*** The consultant is required to go through all the business procedures which has impact on the accounting of GMVN, document them and prepare a BPR as required. ***Output: BPR report.***
 - b. ***Develop/Revise the accounting manual covering all transactions of GMVN:*** GMVN already has an accounting manual. The consultant needs to understand the contents of the existing manual and its implementation in the Organisation. The consultant is required to prepare a new manual for GMVN incorporating all changes in the Companies Act, Accounting Standards, and other General Accounting Principles and Practices in the Indian context. The manual should cover all relevant transactions of GMVN. The manual should have the following: Chart of Accounts, Accounting Policies, accounting procedures, reporting formats and requirements, accounting entries chapter wise covering all major transactions etc. Detailed Table of Contents will be worked out as part of the Inception report. The manual should be lucid and easy to understand for staff of GMVN. The

accounts manual should also cover the budgeting requirements of GMVN. As part of the accounts manual the consultant is required to develop the concept of Strategic Business Units (SBU), assigning revenue and costs to the units. This will help in working out SBU wise profits and their contribution to the overall functioning of GMVN. The costing system should be an integral part of the accounting system and should be implanted as part of the Tally implementation.

Output: Draft Accounts Manual including budget and costing systems and SBU wise accounts.

Manual will be finalized after pilots and training at the end of the assignment.

- c. ***Implement Tally ERP Software across all locations for accounting, budgeting, costing, and financial reporting needs of GMVN:*** GMVN has a Head office and 220 accounting divisions. The consultant is required to implement Tally across locations and make it operational. All configurations in Tally will required to be done by the consultant. Any customization required needs to be identified by the consultant which will be done through Tally vendors by GMVN. The cost of software and any required hardware would be borne by GMVN. **Output: Configure Tally software for pilots and rollout.**
- d. ***User Acceptance Testing (UAT), Pilot, and Roll out:*** UAT shall be done centrally. The system developed/customized by consultants shall be reviewed and verified by the GMVN and select internal department users against the Functional Requirements. Any gaps, identified as a severe or critical in nature, shall be addressed by consultants immediately prior to pilot of the system. Tally needs to be piloted at HO and few locations as required by GMVN. Pilot will be done for one month entering all transactions and checking the results from the system. Any further changes in the manual or the software could be identified during pilots which will be done before full roll out. The consultant is expected to roll out the software to all locations of GMVN. The roll out will cover the FY April 21 to March 22 and the financial statements for the FY 21-22 is expected to be generated from the system. The consultant will provide handholding to all locations either in person or through phone/email during the period of the contract. **Output: Pilot, Roll out, and handholding**
- e. ***Provide training and build capacity of GMVN staff:*** The consultant is expected to provide training on the use and application of accounting manual and modules of the Tally software. The training is expected to be imparted to all accountants and other staff who are intrinsically part of the accounting process. The training will be done in batches. Training will be an ongoing activity and refresher training will also be provided by the consultant. Total staff to be trained would be approximately 250. **Output: Training materials and training to be provided.**
- f. ***Address any backlog in accounts and bring them online:*** Currently GMVN has backlog of accounts

from 2016-17. Another CA firm has been appointed to prepare the balance sheets for the following years. Consultant is required to work with them and update the accounts so that opening balance sheet as on 1/4/2021 is ready for GMVN and can be entered in the accounting system. Opening balances has to be worked out for all accounting locations and the consultant is required to work on this aspect in the first six months of the assignment. In case there are backlog of accounts the consultant will be required to work to update the backlog of accounts. **Output: Opening Balance Sheet**

- g. Develop a complete database of Employees and implement a COTS payroll software which is the best fit for GMVN:** GMVN currently has list of all employees in an excel sheet and are preparing payroll based on excel sheets. The consultant is required to create the database of employees with certain minimum attributes of service like DOJ, education, DOB, Date of retirement, Family particulars etc., which could be used in future for employee service details. The consultant is required to study the payroll process and the data required to be a maintained for service records and suggest a suitable COTS payroll software which can be implemented by GMVN. The software will be purchased by GMVN. This database would be implemented at HO and payroll would be prepared centrally. The consultant is required to implement the software as well ensure that the staff data is updated in the software and payroll and other reports are generated from the software. Based on the functional requirements this aspect could be covered in Tally or in any other software which is easy to operate for GMVN. **Output: Preparation of Employee database and implementation of the COTS HR software.**
- h. Support in actuarial valuation of employee benefits:** Consultant is expected to prepare a TOR for actuarial valuation, support GMVN in selection of the valuer, and support the actuarial valuer by providing all required data. **Output: TOR and selection of actuarial valuer.**

Deliverables and Timelines

8. The Consultant will prepare and submit the following reports/manuals to the Client as per the following schedule. The consultant would provide 3 hard copies of the report and one soft copy of the report to the client.

Deliverables	Timeline (from start of the assignment)
1. Inception Report	Two weeks
2. BPR report	Two Months
3. Draft Accounting Manual including budgeting and costing system	Four Months
4. Staff database update and Roll out HR software	Six Months

5. Revised Accounting Manual	Six Months
6. Training plan and Training material	Six Months
7. Configure TALLY software	Six Months
8. Training of Finance & Accounts Personnel	7-12 Months
9. Roll out completed to all offices	7-12 Months
10. Preparation of TOR and support in procurement of valuer for actuarial valuation of employee benefits	Six Months
11. Final Accounting Manual with translation in Hindi	12 Months

Key Staff required

9. The key staff required for the consultancy is given below. The key staff will be supported by adequate number and qualified staff experienced in their specific key areas including but not limited to HR, corporate accounting, and training. Ability to speak and read Hindi would be essential. The expected man months for the key staff are around 40-man months and required to be supported by staff as required.

S. No.	Position	Qualifications	Experience
1.	Project Team Leader – One position	<ul style="list-style-type: none"> A member of the ICAI with ten years of experience Additional qualification in Certified Information Systems Auditor or similar qualification would be an added advantage Good knowledge of Tally software Good knowledge of Hindi and English 	<ul style="list-style-type: none"> Minimum 10 years of demonstrated experience in corporate financial management including BPR; assessing, designing and implementation of computerized accounting and HR systems; Demonstrate knowledge of Companies Act and accounting and auditing standards. Demonstrate Experience in providing training to staff Demonstrate Experience in preparing accounting manuals Has worked in at least one similar assignment during the last 5 years as a Team Leader. Experience of working in Uttarakhand Companies will be an advantage Experience of working in Relevant sector Companies will be an advantage
2	Accounts Experts– Two positions	<ul style="list-style-type: none"> A member of the ICAI with five years of experience Good knowledge of Tally software Good knowledge of Hindi and English Additional qualification in Certified Information Systems Auditor or similar qualification 	<ul style="list-style-type: none"> Minimum 5 years of experience Experience in implementation of Tally; Good knowledge of Companies Act and accounting and auditing standards. Experience in preparing accounting manuals Experience of working in Uttarakhand Companies will be an advantage Has worked in Similar assignments

S. No.	Position	Qualifications	Experience
		would be an added advantage	<ul style="list-style-type: none"> • Experience of working in Relevant sector Companies will be an advantage
3	Costing Expert – One position	<ul style="list-style-type: none"> • A member of the ICWAI with five years of experience • Good knowledge of Tally software • Good knowledge of Hindi and English 	<ul style="list-style-type: none"> • Minimum 5 years of experience in working with Costing systems and preparing manuals • Experience in implementation of Tally; • Good knowledge of Companies Act and accounting and auditing standards. • Experience in preparing accounting manuals will be an advantage • Experience of working in Uttarakhand Companies will be an advantage • Has worked in Similar assignments • Experience of working in Relevant sector Companies will be an advantage

Technical Review Committee (TRC)

10. A TRC headed by the Managing Director and comprising of other senior accounting and HR officers of GMVN will carry out the review reports provided by the consultants. The TRC will endeavor to review and provide the comments at the earliest, but not later than 3 weeks of submission of the reports and will inform the consultant in case of any delays.

Services & Support to be provided by Client

11. The assignment will be administratively coordinated by the Project Director for the Uttarakhand PFM project.

12. Technical coordination will be done by the MD- GMVN or any officer assigned by MD- GMVN.

13. The MD-GMVN or any other officer assigned by MD- GMVN will coordinate with all the sections for the workshops/training and to designate staff for training and facilitate meetings with the stakeholders. For training, GMVN will provide the venue and cost of trainee travel including TA/DA, but all other requirements will be arranged by the Consultant.

14. The cost of software and required hardware for implementation will be provided by the GMVN through the project. The consultant is required to identify the software and hardware requirements which will be purchased by GMVN through the project.

Government of Uttarakhand, Finance Department
Uttarakhand Public Financial Management Strengthening Project
Center for Training and Research in Financial Administration, (CTRFA)
UTTARAKHAND, INDIA
REQUEST FOR EXPRESSIONS OF INTEREST
(CONSULTING SERVICES – FIRMS SELECTION)

India

Uttarakhand Public Financial Management Strengthening Project
Loan No.: IBRD 8928

Assignment Title: Consultancy Services for Modernizing and Strengthening Financial Management Systems in Garhwal Mandal Vikas Nigam Ltd. (GMVN)

Reference No. IN-CTRFA-215521-CS-QCBS

Request for Expression of Interest for Consultancy Services for Modernizing and Strengthening Financial Management Systems in Garhwal Mandal Vikas Nigam Ltd. (GMVN)

(CONSULTING SERVICES – FIRM SELECTION)

Application Deadline:	11 th February 2021
Type of Contract:	Consulting Service-Firm Selection
Method of Procurement:	Quality Cost Based Selection (QCBS)

Reference No: IN-CTRFA- 215521-CS-QCBS
2021

Date: 23rd January

The GoUk has received a loan from IBRD for the Uttarakhand Public Financial Management Strengthening Project (UkPFMS) and intends to apply a part of the loan proceeds for this assignment toward the **Consultancy Services for Modernizing and Strengthening Financial Management Systems in Garhwal Mandal Vikas Nigam Ltd. (GMVN)**

- The objective of the assignment is to implement financial management system including a payroll system in GMVN.
- The key activities are:
 - *Study the existing business and financial procedures of GMVN, develop business process reengineering in required areas and document them:*
 - *Develop/Revise the accounting manual covering all transactions of GMVN:*

-
- **Implement Tally ERP Software across all locations for accounting, budgeting, costing, and financial reporting needs of GMVN:**
 - **User Acceptance Testing (UAT), Pilot, and Roll out:**
 - **Provide training and build capacity of GMVN staff:**
 - **Address any backlog in accounts and bring them online:**
 - **Develop a complete database of Employees and implement a COTS payroll software which is the best fit for GMVN:**
 - **Support in actuarial valuation of employee benefits:**

The Finance Department through the Center for Training and Research in Financial Administration (CTRFA) now invites eligible consulting firms (“Consultants”) to indicate their interest in providing the Services. Interested Consultants should provide information demonstrating that they have the required qualifications and relevant experience to perform the Services. The minimum required qualifications/criteria are available in Annexure 1 and terms of reference of the assignment can be accessed on the website <http://www.uttarakhandaudit.uk.gov.in> or can be obtained from CTRFA.

The attention of interested Consultants is drawn to paragraph 3.14 and 3.17 of the World Bank Procurement Regulations, July 2016 revised in November 2017 and August 2018 (“Procurement Regulations”), setting forth the World Bank’s policy on conflict of interest.

Consultant may associate with other firms to enhance their qualifications, but should indicate clearly whether association in the form of Joint Venture and/or sub-consultancy. In case of a Joint Venture, all the partners in a joint venture shall be jointly and severally liable for the entire contract, if selected

A Consultant will be selected in accordance with the **Quality Cost Based Selection (QCBS)** method set out in the Procurement Regulations.

Further information can be obtained at the address below during office hours *1000 to 1700 hours IST*.

Expression of Interest in the prescribed format along with relevant annexures must be delivered in a document form (hard copy or electronic pdf) at the address or mail id given below (in person, by post or by email) latest by 11th February 2021

Project Director
Uttarakhand Public Financial Management Strengthening Project

91 Race Course
Near Police Line
Dehradun,
Uttarakhand, India,
Mob: +91-9358119541,
E-mail: ukpfmswb@gmail.com

Annexure 1: Minimum Required Qualifications Criteria

S. No.	Basic Requirement	Specific Requirements	Supporting Documents Required
1)	Entity	Must be a legally constituted entity	Copy of the Certificate of Incorporation and constitutional documents
2)	Turnover	Should have an Annual Turnover of at least Rs. One crore during the last three financial years (2017-18, 2018-19, and 2019-20,).	Certified copy of the audited financial statements OR certificate from the statutory auditor.
3)	Overall experience	Should have at least 10years' experience of working with PSUs and government companies either in accounting or auditing	Self-certification of details of the experience
4)	Technical Capability	Should have proven track record of having successfully carried out minimum two (2) similar assignments especially of developing accounting manual for PSUs and commercial organisation; as well as implementing computerized system, (especially implementation of Tally will be an advantage);	Copy of work orders for completed assignments (OR) Work completion certificates from client (OR) In case of ongoing consultancy, the completion should be substantial (at least 75% of the technical deliverables has been submitted to client satisfaction). Letter from client stating the status of delivery along with work order to be submitted.
5)	Staff	Should have at least 5staff with relevant qualifications on permanent rolls.	Self-certification of list of such staff with qualification and experience as per format provided.

Instructions

1. Please provide the minimum details as required in the format. Non-completion of the format may lead to rejection during evaluation.
2. The consultant can add other materials about the Organization and other relevant details as annexures.
3. Please provide all documents requested as annexures.

General Particulars of Consultant

Name of the Consultant	
Registered Address	
Phone No:	
Email id:	
Name of the Contact Person for this EoI	
Phone no. of the Contact Person for this EoI	
Email id of the Contact person for this EoI	

Particulars of Consultant

Date of Consultant's establishment	
Consultants Years of experience	
Registration No. (Company/Society)	
PAN No.	
GST No.	
Number of full time staff	
Do you have a branch office in the State	Yes/No. If yes, please provide the address

If you have a JV please fill the above table for each JV partner separately.

Relevant Staff Brief Profile ***

Name of Staff	Age	Years of experience	Qualification	Number of years associated with the Consultant	Relevant assignments

Detailed Format for Citations

Assignment name:	Approx. value of the contract (in current US\$ or Euro):
Country: Location within country:	Duration of assignment (months):
Name of Client:	Total N ^o of staff-months of the assignment:
Address:	Approx. value of the services provided by your Consultant under the contract (in current US\$ or Euro):
Start date (month/year): Completion date (month/year):	N ^o of professional staff-months provided by associated Consultants:
Name of associated Consultants, if any:	Name of senior professional staff of your Consultant involved and functions performed (indicate most significant profiles such as Project Director/Coordinator, Team Leader):
Narrative description of Project:	
Description of actual services provided by your staff within the assignment:	