

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 Developing Business plan and financial restructuring package for Garhwal Mandal Vikas Nigam Ltd. (GMVN)

Reference No. IN-CTRFA- 269278 -CS-QCBS

Request for Expression of Interest for Consultancy Services for Developing Business plan and financial restructuring package for Garhwal Mandal Vikas Nigam Ltd. (GMVN)

(CONSULTING SERVICES – FIRM SELECTION)

Application Deadline:	17 th January 2022
Type of Contract:	Consulting Service-Firm Selection
Method of Procurement:	Quality Cost Based Selection (QCBS)

Reference No : IN-CTRFA- 269728 -CS-QCBS

Date: 27th December 2021

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 Developing Business plan and financial restructuring package for Garhwal Mandal Vikas Nigam Ltd. (GMVN)**

The objective of the assignment is to develop a business plan for next 5 years and long-term plan for 10 years as well as prepare a financial restructuring plan with options for the State consideration. The assignment should look at financial restructuring as well as support required from the State. Details of the assignment are provided in the Terms of Reference attached.

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 17th January 2022 17:00 Hrs IST**

Project Director
Uttarakhand Public Financial Management Strengthening Project

91, Race Course,

Near Police Line,

Dehradun, 248001

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 every year 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 5 years' overall experience of working with Central PSUs /State PSUs/Government Autonomous Bodies	Self-certification of details of the experience
4)	Technical Capability	Should have proven track record of having successfully carried out minimum two (2) assignments, of developing a business plan , or preparing a financial restructuring plan for Central PSUs / State PSUs/Government Autonomous Bodies or large corporates.	Copy of work orders for ongoing\completed assignments (OR) Work completion certificates from client
5)	Staff	Should have at least 10 consultants with relevant qualifications	Self-certification of list of such staff with qualification and experience as per format provided.

EOI FORMAT

Instructions

1. Please provide the 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 annexure.
3. Please provide all documents requested as annexure.

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	
Do you have a HO in the State	Yes/No. If yes, please provide the address
Do you have a branch office in the State	Yes/No. If yes, please provide the address
Date of establishment	
Registration number if any with ROC, registrar of societies etc	
Number of full-time qualified staff	
PAN	
GST	

Financial Particulars of the Consultant

Financial year	Turnover	
2019-20		
2018-19		
2017-18		

Key Staff Brief Profile

Name of Staff	Age	Years of experience	Qualification	Number of years associated with the Consultant	Name of clients handled with nature of work done

Relevant assignments – Last Five years***

Project Name	Funding agency Name	Client Name	Nature of work	Year of Work	Status (Completed/Ongoing)	
	Central/State/Multilateral/Bilateral funding agency					

*** Please provide detail citation of work separately in the format given below for developing a business plan and prepare a financial restructuring plan for Central PSUs / State PSUs/Government Autonomous Bodies/ Large Corporates.

Detailed Format for Citations

Assignment name:	Approx. value of the contract (in INR crores):
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:	

Draft Terms of Reference

Consultancy Services for Developing Business plan and financial restructuring package for 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 Josh math- 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 Tiwari.
 - 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. GMVN financial status has been eroding over the years to accumulated losses. Some business contributes to profit while others leads to losses. GMVN wants to prepare a strategic business plan to determine the areas which needs to be continued and areas which needs to be modified or revamped for better financial performance. GMVN may need a financial restructuring with optimal and minimal support from the State.
4. GMVN is looking to develop a business plan and financial restructuring plan and intends to hire 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

5. **The objective of the assignment is to develop a business plan for next 5 years and long-term plan for 10 years as well as prepare a financial restructuring plan with options for the State consideration.**
6. **The objective is to make GMVN Financially Self Sustainable in the long term. Depending on the future role and strategic business focus of the GMVN, financial self-sustainability might however not be realistic, in particular in the medium term. In that case financial support from the (State)**

Government needs to be taken into consideration when developing a business model for the GMVN

Detailed Scope of Work

7. Inception report to be provided to confirm the work plan and timelines, data and meeting required and initial points of the project.

Output Inception report

8. Gap Analysis:

- a. Understand, review, and assess relevant business models of approx. 5 national (/international) best practices of similar organizations (Karnataka, MP, Tamil Nadu, Rajasthan and Maharashtra).
- b. Detailed analysis of the existing business model (cost structure and revenue model). Such analysis should include but should not be limited to: sectors served, past and present fields of operation, existing staffing/ human resources, other revenue sources, business and IT infrastructure. Undertake current state assessment of different business verticals of GMVN, provide insights on industry benchmark parameters and conduct gap analysis.
- c. Review and assess the existing capabilities of GMVN taking into account present business sectors / areas of operation. The Consultant shall identify the improvement opportunities and gaps in each sector for the GMVN, including but not limited to competencies, human resources/ staffing, needs for IT development.

Output: As-IS and Gap analysis report as well as stakeholder workshop

9. To-Be report

- a. Discussion with management of GMVN officials as well Tourism and Finance Department of the State on future strategic business focus of GMVN and extent of past and future financial support from Government.
- b. Strategic analysis of industry structure and market potential for the GMVN. Based on latest trends in tourism sector, frame strategies and plans for GMVN to leverage existing strengths, create enhanced value and revenue along the tourism value chain.
- c. Prepare an analysis of tourist guest houses, hotels and suggest appropriate methods of increasing revenue of properties and suggest an appropriate strategy for up-gradation of existing hotels & guest houses. Identify opportunities for PPP.
- d. Analysis of new revenue sources for the GMVN.
- e. Identify and evaluate low / non-performing assets of the organisation such as godowns, vacant land parcels, service stations etc. and recommend appropriate strategies for divestment, leveraging the asset or monetization to generate revenue.
- f. Carry out study on linkage and supply chain of the existing services and business units like - mining of minerals, industrial units, marketing and distribution to generate employment, improve livelihoods and local economy, thereby enhancing the sustainability of GMVN. Explore areas of value addition in these business units.

Output: To- Be report with options and suggestions for improvements as well as stakeholder workshop

10. Detailed Business Plan

- a. Calculate a business model and business plan for the GMVN based on the analyses and assumptions derived from the above, considering different scenarios regarding the future strategic business focus of the GMVN (i.e. range of sectors served and respective cost structure; market potential; financial support from the Government; other revenue sources; etc.).
- b. Business model options/alternatives presented in the Report shall show the requirements and potentially the limits for a -long term financial sustainability of GMVN. The agenda needs to be developed keeping in mind, the need and requirement of present & future of GMVN, while ensuring self-sustainable growth and profitability of the institution in the long term. The consultant must present the plan and produce to clearly demonstrating results
- c. The Consultant will draft the strategic options for a business model for long term financial sustainability of the GMVN by engaging with GMVN team and the officials from the concerned/relevant Govt. department and other parastatals and will spend considerable time in the above mentioned offices to understand the current business model and identify potential for future business.
- d. The business plan should have P&L account, Balance Sheet, Cash flow statements both for the past based on actuals and future projections. The plan should be dynamic and should be built with variables so that GMVN can work on different scenarios by changing the key drivers of business and assumptions.
- e. Develop a sustainable business plan for 5 years and 10 years with a view to
 - i. Identify areas of strategic operations for financial sustainability
 - ii. Strengthen the value proposition of the GMVN
 - iii. Increase revenue realization, including new revenue sources.
 - iv. Set up business development plan
 - v. Identify key risk and mitigation strategy for those risks

Output: Business plan for 5 years and 10 years along with detailed excel sheets and reports as well as stakeholder workshop

11. Financial Restructuring Plan:

- a. Evaluate the current financial position of GMVN as well as look at the overall trend in the past 3-5 years
- b. Evaluate the revenue and expenditure of GMVN and analyze the trend
- c. Evaluate the net worth as well as the overall liabilities of the GMVN
- d. Evaluate options of support receivable from the government. For this strategic discussion needs to be held with GMVN officials as well Tourism and Finance Department of the State on future strategic business focus of GMVN and extent of past and future financial support from Government. For e.g.: what if state provides equity, what if state provides debt, what if assets

are given on PPP, what if state does not provide any support but allows tariff determination, what if majority stake is divested in GMVN etc. Consultants should be innovative and work out the options of financial restructuring and provide pros and cons for each scenario to the GMVN and the departments.

Output: Financial Restructuring Plan along with detailed excel sheets and reports as well as stakeholder workshop

Deliverables and Timelines

12. 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)	% payment after approval of TRC
1. Inception Report	2 weeks	5%
2. As-IS and Gap analysis report	2 Months	10%
3. To- Be report	3 Months	10%
4. Draft Business plan	6 Months	20%
5. Draft Financial Restructuring plan	6 Months	20%
6. Final Business plan and Financial Restructuring plan	8 Months	35%

Stakeholder workshop should be proposed as and when required during the process by the consultant.

Key Staff require

13. 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 32 -man months and required to be supported by staff as required.

Position	Man months	Qualifications/Experience
Team Leader	08	<ul style="list-style-type: none"> • CA/CWA/CS/MBA or Post Graduate Diploma in Financial Management (2 Years) • 10+ years of overall experience • Has worked on assignments in formulation of business plan/ vision plan/ strategy plan/ feasibility studies related to development of commercial infrastructure and real estate • Experience of projects for government entities engaged in tourism would be added advantage.
Hotel Management expert	09	<ul style="list-style-type: none"> • Degree/ PG Diploma in Hotel Management or MBA from a recognized University/ institute • 10 years' experience in hotel management/ Hospitality sector.

Position	Man months	Qualifications/Experience
		<ul style="list-style-type: none"> • (S)He should be well conversed with hotel economics, Engineering, Planning & Development.
Finance Expert	09	<ul style="list-style-type: none"> • CA/CWA/PGDM/MBA in Finance/ Post Graduate Diploma in Financial Management (2 Years) • 7 years of overall experience of • Has worked on assignments related to financial structuring/ formulation of financing programs/designing revenue models/ working out financial feasibility/development of business plan/financial restructuring
PPP Expert	09	<ul style="list-style-type: none"> • Master's Degree in Economics/ Master's Degree in Business Management/ Master's Degree in Finance/CA/MBA/ CWA/PGDM • Certification in PPP will be an added advantage • 10 years of overall experience • has worked on assignments related to developing structured finance projects and transactions and has hands-on experience in developing and contracting PPPs. • Have worked in at least one similar assignment related to development of PPP framework and models/transaction advisory etc., during the last 5 years. • National and international experience in PPPs in the government sector and hospitality sector would be an added advantage

Technical Review Committee (TRC)

14. A TRC headed by the Managing Director and comprising of other senior 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

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

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

17. 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. Cost of training would be provided by the project while training materials and

workshop materials are to be provided by the consultant.

18. The consultants should make own arrangement for travel and stay.

Note: A similar organization may be added namely Kumaoun Mandal Vikas Nigam (KMVN) at the RFP stage

