



Himachal Pradesh Power Corporation Limited  
(A State Government Undertaking)  
Himfed Building, BCS, New Shimla-171009.  
Phones: 0177-2671589  
CIN: U40101HP2006SGC030591

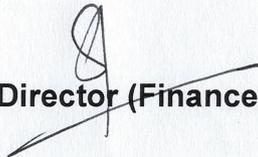
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**NOTICE INVITING QUOTATIONS FROM ELIGIBLE PRACTICING CHARTERED ACCOUNTANT FIRMS, FINANCIAL ADVISORY FIRMS AND ACCOUNTING ADVISORY FIRMS FOR UPDATING OF THE FINANCE & ACCOUNTS MANUAL OF THE CORPORATION.**

HPPCL invites Sealed Quotations from eligible Chartered Accountant Firms, Financial Advisory Firms and Accounting Advisory firms for updating the Finance & Accounts Manual of the Corporation.

The Application form, Scope of Work, detailed Terms & Conditions, Minimum Eligibility Criteria and Payment Schedule are as per **Annexure – “A” to “B”** which are available at HPPCL’s web site [www.hppcl.in](http://www.hppcl.in) and can be downloaded. The selection of the firm shall be based upon fulfillment of minimum eligibility criteria and the price quoted.

Interested firms (having requisite experience of preparing Finance & Accounts Manual for CPSU/State PSU/Govt. Departments or power utilities), may send their application in prescribed format in separate envelops super scribing **“FOR THE PREPARATION OF FINANCE & ACCOUNTS MANUAL”**, so as to reach in the office of Director (Finance), Himachal Pradesh Power Corporation Limited, Himfed Building, BCS, New Shimla (H.P.) -171009, latest by 25 Sept 2024 up to 1:00 PM and will be opened at 3:00 PM, on same date, in the presence of authorized representatives of the participating firms.

  
Director (Finance)

**Notice Inviting Quotations (NIQ)**

**FOR THE UPDATING OF FINANCE & ACCOUNTS MANUAL OF HPPCL**

(Tender Reference Number: HPPCL F&A 2024-25-276)

Date of issue of NIQ: (03/9/2024)

**Introduction:**

Himachal Pradesh Power Corporation Limited (HPPCL) was incorporated in December, 2006 under the Companies Act 1956, with the objective to plan, promote and organize the development of power generation on behalf of Government of Himachal Pradesh (GoHP). GoHP has allotted 15 Hydro power projects and 37 Solar Power Projects with aggregate installed capacity of 2778 MW and 500 MW respectively for development under state sector to Himachal Pradesh Power Corporation Ltd. (HPPCL). Out of these 276 MW of Hydro Power Projects and 37 MW of Solar Power Projects are in successful operation and the work is in progress on Hydro Power Projects aggregating to 668 MW and on Solar Power Projects aggregating to 15 MW.

HPPCL is actively in process of identifying suitable locations for setting up of aggregate 500MW of Solar Capacity by March 2025. HPPCL is also working on implementation of Green Hydrogen Project (on pilot basis) of 1MW capacity and two no's of Compressed Bio Gas Plant of 2 ton per day capacity and Geo Thermal energy.

HPPCL already have its finance & accounts manual which were prepared in the year 2012. However, now there is need to update these manual as per the Ind. AS and any other change in laws, rules and regulations, systems and procedures etc. The purpose of this NIQ is to solicit proposals from eligible Chartered Accountant Firms, Financial Advisory Firms and accounting advisory firms for the preparation of a Comprehensive Finance & Accounts Manual of the Corporation.

**OBJECTIVE OF WORK**

The objective of the work is to further streamline and strengthen financial management in HPPCL to ensure:

- consistency and uniformity in financial policies and procedures across all locations
- that standard forms/ formats (both online & offline) are used for all business processes
- efficient and accurate processing and accounting of transactions with adequate internal controls

- processes are in line with the statutory requirements
- a clear "Delegation of Power" matrix
- that process based approach is followed to identify, account and monitor revenue and cost for the organization
- a robust financial management information system

## **SCOPE OF WORK**

### **UPDATING OF FINANCE & ACCOUNTS MANUAL**

The approved firm will update the Finance & Accounts Manual for HP Power Corporation Limited and the following areas to be covered in the scope of work in the updating of Finance & Account Manual. The Finance & Account Manual will cover all the areas of financial management including but not limited to planning and budgeting, banking, accounting, internal controls including delegation of financial powers, internal audit and external audit, as further described below:

- Expenditure Bills Processing and Payments
- All Employee related processes
- Loan Accounting
- Treasury Management
- Investment Accounting
- CWIP, Fixed Assets, Depreciation and Capitalization processes
- Accounts & Audit
- Inter Unit Accounting
- Joint Ventures and Subsidiaries
- Revenue Accounting (Billing, Collections, GST, Transfers etc.)

The consultant will consider the following:

- The Standard Accounting Norms, significant accounting policies and its applicability in HPPCL, applicable accounting standards, GFR & other relevant/applicable laws, rules and regulations etc.
- The inclusions in the proposed finance & accounts manual must be and not limited to accounting procedures, preparation and presentation of Financial Statements as per applicable accounting standards (along with illustrations), Budgeting and its re-appropriations, various reports, Internal Controls, Audit (EAP, internal audit, statutory audit, CAG Audit, supplementary audit), time frames/lines for conducting audits, Standard formats, BRS and any other reconciliation with internal/external organizations, Sale of Power and its accounting thereof (incl. RTM, DSM, DAM), financial vetting and concurrence procedures, advance and its adjustments thereof, cost accounting, audit and reports thereof, HPERC rules and regulations, Statutory Compliances, applicable Taxation laws and Provisions etc.
- The way of documentation and book keeping in SAP environment along with illustrations.
- Data Flow Diagram (DFD) for each of the activities.
- Restructuring of loans into equity/interest free loan and accounting thereof.
- Guidelines for the accounting treatment of various transactions specific to power generation operations.

- The approved agency will also prepare SOP (Standard Operating Procedure) for management of short term and long funds of the Corporation, raising of short term as well as long term debt for the Corporation and allocation of internal and EAP funds.
- Guidelines to be followed for annual/period end closing.
- Accounting for investigation stage, construction stage and O&M stage projects in R.E. Sector.
- Compliance with IndAS.
- Considering good practices in other power utilities.
- Role of finance in vetting of WTD/BoD memo and contractual documents.
- Role of Finance in tender evaluation procedure.
- Process for preparing Financial Statements and adoption thereof.
- Cost Benefit Analysis of projects.
- Procedure of Central Payroll Team for salary disbursement, preparing various reports and compliances thereof.
- Qualifications and recommendations of the statutory auditors/internal auditors.
- The said manual shall also cover the in-house existing policies/procedures approved by the management of the Corporation, existing Delegation of powers and other related guidelines/provisions in consistence with the policies, orders and circulars of the GoHP and HPPCL.
- Conducting training sessions for our staff for the use of the manual.

**Each manual/chapter should be on the following lines**

- Process brief
- Accounting policies
- Key SAP screens
- Accounting entries
- Documents /records to be maintained and formats
- Roles & Responsibility identification
- Data flow diagrams

**Minimum Eligibility Criteria**

- The firm must have experience of preparing at least two Finance & Accounts Manual for CPSU/State PSU/Govt. Departments or power utilities of similar size as HPPCL.
- Average annual turn-over of the last 3 years of the firm should not be less than Rs. One Crore.
- The firm should have Professionals/Experts with at least 05 years' experience in SAP Software/ERP Environment.

**Selection Criteria:**

The selection of the firm shall be as per the fulfillment of minimum eligibility criteria and opening of financial bids thereafter the firm quoting the lowest rate shall be selected for the updating of finance and accounts manual.

**Code of ethics for Finance manual:**

1. They should keep themselves away from illegal practice / dishonest arrangements.
2. They shall have an obligation to work objectively and diligently while performing his/her duties.

3. None of the staff of Team would direct or supervise the activities of any department of HPPCL, except where such activities are a part of the finance & accounts manual preparation process.

**Time Frame and Financial Bid for Updating Finance & Accounts Manual:**

The draft updated Finance & Accounts Manual must be prepared by the firm within the 3 Months of the award of work. Further, interested firms are required to quote their financial bid in the separate sealed envelope and the same may be super-scribed with the title “**Financial Bid for preparation of Finance & Accounts Manual**”. The Financial Bid of the firms fulfilling the minimum eligibility criteria will be opened.

**Schedule of Payment**

1. 10% will be paid on submission of inception report.
2. 30% will be paid after the submission of the copies of draft Finance & Accounts Manual.
3. 20% will be paid after the training for the use/application of Finance & Accounts Manual.
4. 20% will be paid after the submission of the final copy of Finance & Accounts Manual incorporating all the comments and feedback from training.
5. 20% will be paid after the approval of Finance & Accounts Manual from the BOD.

**Other terms & conditions:**

- (a) The firm shall not disclose the data i.e. physical, documented management systems etc. to any third party including their internal department.
- (b) **Bid security:** The firm has to deposit EMD/ Bid security amounting Rs.20,000/- (Twenty Thousand only) alongwith the application form in the shape of Bank Demand Draft in favour of Himachal Pradesh Power Corporation Limited.
- (c) **Performance Security:** The firm to whom the work will be awarded has to deposit Performance Security in the shape of a Bank Demand Draft amounting to Rs.1,00,000/- (One Lakh only) within 15 days of award of work. In case the performance of the firm is found satisfactory, then amount of Rs.1,00,000/- (One Lakh only) shall be valid & released after approval of Finance Manual from BOD.
- (d) The firm will be required to comply with the instructions if any issued by the HPPCL.
- (e) Firm to whom the work awarded shall not sub contract the work to any other parties either in part or full.
- (f) The firm shall not be entitled to claim any additional amount for any reason whatsoever for the above Finance & Accounts Manual.
- (g) In case of any dispute, the decision of HPPCL Management shall be final and

binding on the firm.

- (h) The terms and conditions enumerated in this document can be modified at any time by HPPCL at its sole discretion.
- (i) **Disclaimer:** HPPCL reserves the right to cancel the assignment at any stage without assigning any reason, without thereby incurring any liability to the Firm concerned or any obligation to inform the Firm concerned of the grounds, for the Corporation's action.
- (j) **Jurisdiction of courts:** Any dispute arising out of or in respect of the contract will be subject to the jurisdiction of High Court of H.P. Shimla only.

## Application Format

**1. Name of the firm.:****2. Office Address**

Permanent Address :  
Correspondence Address :  
Telephone No. :  
E-mail Address :

**3. Other Details: (copies may be provided)**

- a) Year of Establishment
- b) Firm Registration No.  
(In case of Company/Partnership Firm/Sole proprietary Firm)
- c) Proprietor's Membership No.  
(In case of members not having Firm Name)
- d) GST Registration No.
- e) Permanent Account No. (**PAN**) of Firm/Proprietor

4. Minimum average Annual Turnover in the last three financial years shall be Rs. One Crore a/w supporting documents.

**5. Experience Details:**

- I. Details of experience of preparing Finance & Accounts Manual for CPSU/State PSU/Govt. Departments or power utilities of similar size of HPPCL. (Certification from concerned PSUs/ Govt. Companies is mandatory).
- II. SAP-ERP Experience.  
(Proof of work experience must be attached)

All the pages of offers and documents are to be signed by the authorized signatory of the firm along with its seal.

I/we authorized Signatory of the Firm" \_\_\_\_\_, hereby declare that the above information furnished are true & correct to the best of my knowledge and I will abide by the Terms & Conditions set by HPPCL for the said work.

Signature  
(with seal of the Firm)