

BRIHANMUMBAI MAHANAGARPALIKA

Circular

2006-2007

No. CA(F)/FAR/19/2006-07 dated 31.10.2006.

Sub : Second phase of the project of conversion of present cash based accounting system into Accrual Based Double Entry Accounting System on reformation of Budgetary system of M.C.G.M. as per National Municipal Accounting Manual.

- Listing, Verification & Valuation of all assets of all departments of the Corporation.

Ref. No. :- 1) S.C.R.No. 632/dt.04th October 2006
2) A.M.C. (P) / 3571 dtd. 7.10.2006

The MCGM has undertaken the project of conversion of Cash based Double Entry Accounting System into Accrual based Double Entry Accounting System for Budget A, B, E & Tree Authority with a view to making the Corporation Accounts easy to understand, transparent and suitable for easy scrutiny. The Corporation is also interested in an annual credit assessment so as to have a marked view of the Corporation's Financial Performance.

Considering the scope of this project, it has been decided to complete this project in different phases viz.

1. Reforms in Budget and Accounting system including preparation of a detailed user requirement document for the Budgetary and Accounting Operations in MCGM and customization of the ERP solution selected by MCGM to handle the same.
2. Listing, verification and valuation of all Assets of the M.C.G.M.

Standing Committee wide resolution number 632 dt. 4/10/2006 have accorded sanction to enter into contract with 4 different firms for the work of Listing, Verification & Valuation of assets of respective group of departments.

Accordingly work order is already issued in favour of

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|---|---------------|---|
| 1. M/s.Capital Fortunes (Pvt.) Ltd., | - Group No.1 | - Health Deptt. |
| | - Group No.2 | - City Engg./Ch.Eng.(M&E) etc. |
| | - Group No. 4 | - C.F.O.,Education, MMP etc. |
| | - Group No.7 | - WSSD, H.E., W.S.P., Ch.Eng.S.O., Ch.Eng.S.P., M.S.D.P. etc. |
| 2. M/s.C.D.Sambhare & Co. | - Group No.3 | - Garden, Recreation Centres, Theatres, Swimming Pool, Cattle pond etc. |
| 3. M/s.Superintendence Co.of India Pvt.Ltd. | - Group No.5 | - Estates, Markets etc. |
| 4. M/s. K.R.Bedmutha & Techno Associates | - Group No.6 | - Ch.Eng.(SWM); Denor, Abbatoir etc. |

for the work of Listing, Verification & Valuation of assets of various groups of departments.

The scope of the said assignment is as under.

Scope of Work

This work would cover listing, verification & valuation of all assets, of all the departments, divisions, administrative zones as well as all the 24 wards & other units of the Municipal Corporation alongwith all major and peripheral hospitals, clinics & dispensaries, schools, with clear cut guidelines for effective maintenance of asset register for each and every department upto ward level, which will enable implementation of ERP software, selected by M.C.G.M. so as to computerize entire accounting & budgetary operations of M.C.G.M. Wherever applicable, the asset details shall be captured at the political ward level. The details should be capable of being integrated with GIS being planned by M.C.G.M. The asset details should be captured as of the 31st March 2006.

Outline of task to be carried out

The selected Bidder shall perform the following tasks/activities.

The above scope of work would cover all the divisions, Departments, administrative Zones as well as all the 24 Wards of the Municipal Corporation along with all major & peripheral hospitals, clinics & dispensaries, schools, with clear cut guidelines for effective maintenance of asset register for each & every department up to administrative ward level, which will enable implementation of the ERP software, selected by MCGM so as to computerize entire accounting and budgetary operations of MCGM.

Terms of Reference for Asset Listing, Verification & Valuation.

This task will involve the following activities.

1. Preparation of the list of all the current & fixed assets as on 31st March 2006 with Code Nos.
 - Freehold Lands
 - Leasehold Lands
 - Acquired Lands & Buildings
 - Owned Lands & Buildings
 - Rented Buildings
 - Plant & Machinery
 - Electrical installations
 - Furniture, Fixtures, Office Equipments.
 - Instruments & Stores

- Vehicles like motorcars, trucks, JCB, dumpers, bulldozers, fire engines & allied machinery etc.
- Bidders are expected to ascertain the records available and the total quantum before submitting the proposal.

(This list is illustrative only; all the assets of M.C.G.M. have to be covered)

2. Identification / Verification of records, including

- Title deeds, city survey, property cards
- Date of Acquisition, construction of historical cost records to determine assets of MCGM.

Types of assets identification:-

- (a) From the existing assets / property register (some documentation available)
- (b) By means of survey (Based on list or information available)

Following issues are to be taken into consideration:- (Illustrative only)

- (a) Asset for which perfect documentation is available and the asset has not undergone any change.
 - (b) Asset with information that has undergone massive changes in physical structure or may be under unauthorized occupation.
 - (c) Assets that are totally left out in the records.
 - (d) Assets, which are very old and cannot be made use of.
 - (e) Assets for which the documentation is not fully available like title deeds etc.
3. Enumeration of existing status of all assets in terms of title documents infirmities, contractual infirmities & physical/structural infirmities from the point of life of assets.
 4. Valuation of all assets located and verified during the process at the prevailing market value and value, which can be used for accounting purposes, as per the norms fixed by C & AG & ICAI.
 5. Evolving norms for capitalization & interest on capitalization.
 6. Formulating depreciation norms for each type of assets as per the guidelines of C & AG & ICAI. (Useful life of assets, depreciation method etc.)
 7. Preparation of Asset Register, department wise & ward wise with uniform codification with valuation basis & value details in electronic form, compatible with the ERP package being implemented by MCGM. Separate Assets Registers shall have to be prepared at all levels for each fund operated by the M.C.G.M. Details of the funds operated shall be discussed and communicated to the selected bidder (s) on commencement of the assignment. The details should be G.I.S. compatible. Wherever applicable and possible, assets details should be captured at the political ward level as well. Assets created out of grants and special funds shall be specifically highlighted.

8. The Assets Register prepared should be certified for correctness, accuracy, completeness and authenticity. Certificate format will be provided subsequently.

Required Identity Cards are being issued to the concerned staff of consultant.

All Heads of the Departments are hereby directed to extend all sort of co-operation to the concerned staff of the consultants to complete the assignment within the stipulated period of one year.

They are further directed to show available records like files, designs, maps, sketches, registers etc. to the concerned staff of the consultants and they may be allowed to enter and check the concerned municipal properties also.

They are also directed to make required sitting arrangement wherever necessary and possible during the course of assignment.

Suitable instructions be given to all concerned Officers/Supervisors of units/sections/offices working under control.

Sd/- (16/10/06)
C.A. (Finance)

Sd/- (30/10/06)
A.M.C.(W.S.)

Sd/- (31/10/06)
A.M.C.(City)

Sd/-(26/10/06)
A.M.C.(P)

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No. CA(F)/FAR/19/2006-07 dated 31.10.2006.

Copy to C.A. Dept. (Treasury) (with _____ more copies) for information and necessary action please.

क.सं. वीरसिंग
31/10/06
Accounts Officer (FAR)

BRIHAMMUMBAI MAHANAGARPALIKA

Circular

No. CA(F)/FAR/23/2006-07 dtd. 02.01.2007.

Sub : Project of Conversion of Cash Based, Double Entry Accounting System into Accrual Based Double Entry Accounting System for reforming the Budgetary system of the M.C.G.M., as per the National Municipal Accounting Manual.
- Third phase :- Project of e-governance.

The M.C.G.M. has undertaken the Project of Conversion of Cash Based Double Entry Accounting System into Accrual Based Double Entry Accounting System on reformation of budgetary system of M.C.G.M. as per National Municipal Accounting Manual with a view to making Corporation Account easy to understand, transparent and suitable for easy scrutiny.

The third phase of the said project is of e-governance and it is expected to computerize entire working of the all departments of the Corporation. Hence, administration has taken decision to implement SAP, an integrated ERT. It contains various modules like finance and controlling, H.R., materials management, project systems, citizen portal etc. All modules will be inter-connected and finance will be the backbone. The entire process of making payments will be completed with the help of SAP and all the payments will be made probably by E.C.S.

Therefore, it is very much essential to compile and digitize the detailed information about the suppliers, consultants, contractors, etc. to create vendor master in order to make payment through system to the appropriate party.

The required format is forwarded herewith and all the Heads of the Deptts. are hereby directed to get the same field in by the contractors, suppliers, consultants, etc. to whom work orders are already issued or S.C.R. is passed for the appointment of the Agency. Forms duly filled in, be submitted to the Office of A.O.(FAR) along with registration fee amount to Rs. 100/- , situated on the 3rd floor, Annex Bldg., Mahapalika Marg, Fort, Mumbai - 400 001 for creating vendor master. Blank Forms are available in the office of A.O.(F.A.R.).

It is specifically brought to the notice of all the Heads of the Deptts. that once the implementation of the Finance & Control module of SAP is started, no payments will be made to any party whose name is not included in the vendor master. All the Heads of the Deptts. / Asstt. Commissioners are hereby directed to note the above orders and to give necessary instructions to all the concerned Officers, working under their control.

Sd/-
02/01/2007
Chief Accountant (Finance)

Sd/-
02/01/2007
A.M.C.(Project)

Sd/-
02/01/2007
A.M.C.(W.S.)

Circular

No. CA(F)/FAR/23/2006-07 dtd. 02.01.2007

Copy to _____ (with _____ more copies) for information and necessary action please.

क.सं. (FAR) 7
०२/०१/२००७
Accounts Officer (FAR)

VENDOR MASTER CREATION FORM

Sr. No.	Details	
1	Name of the Vendor	
2	Address :-	
	House number and street	
	Street 2	
	Street 3	
	Postal Code	
	CITY 1	
	TEL NUMBER	
	Email ID	
3	VAT Registration No. – * Copy of the certificate be submitted	
4	Bank Account Details	
	Type of Account (S.B., Current or Cash Credit – with Code - 10/11/13)	
	BANK ACCOUNT NO.	
	ACCOUNT HOLDER – Name of the Bank – Name of the Branch – Address / Telephone No.	
	MICR NUMBER (9 digit Code No. of the Bank & Branch appearing on the MICR cheque issued by the bank) * Blank cancelled cheque or Copy of front page of Bank Pass Book be submitted alongwith.	
5	PAYMENT MENTHODS – E.C.S.	
6	I.T. EXEMPTION - CERTIFICATE NUMBER – * Copy of the certificate be submitted	
	EXEMPTION RATE	
	Reason for Exemption	
	DATE ON WHICH EXEMPTION BEGINS	
	DATE ON WHICH EXEMPTION ENDS	

7	Order Currency	
8	Terms of Payment for P.O.	
9	Incoterms (PART 1) – Applicable for Import Vendors (Abbreviation) For eg. F.O.B.	
10	Incoterms (PART 2) Applicable for Import Vendors (Full Text) For eg. Free on Board	
11	CST No. – * Copy of the certificate be submitted	
12	LST No. – * Copy of the certificate be submitted	
13	PAN – * Copy of the certificate be submitted	
14	Tax Rate & TDS Section	
15	Works Contract Tax rate	
16	Service Tax Registration Number	

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I would not hold the user institution responsible. I have read the option invitation letter and agree to discharge the responsibility expected of me as a participant.

(-----)

Signature of the Vendor.

Date :

For Office Use Only

SAP system name	SAP client	SAP vendor code	Created in SAP by	Created in SAP on