

BIHAR RURAL DEVELOPMENT SOCIETY (BRDS)

2ND FLOOR, RED CROSS BUILDING
NORTH GANDHI MAIDAM
PATNA-800001

ADDENDUM-I to THE REQUEST FOR PROPOSAL (RFP) FOR “Hiring of Public Financial Management – Technical Support Consultant Firm for BRDS

RFP No.: CS-07

Credit No: IDA 5349-IN Date: June 1, 2018

The Bihar Rural Development Society (BRDS), Rural Development Department, Government of Bihar invited proposal from eligible consultant firms for “**Hiring of Public Financial Management – Technical Support Consultant Firm for BRDS** vide RFP No.: CS – 07 dated May 03, 2018, the due date for submission of proposal for which was June 4, 2018.

As scheduled, a pre-proposal conference for above held on May 18, 2018 at BRDS office, Patna to clarify queries of the perspective consultant firms.

Subsequently Addendum–I to the RFP document is being issued, clarifying queries raised by prospective consultant firms during pre-proposal conference or received through email/postal services. This Addendum shall be considered part of the RFP document. Consultant firms are hereby notified that they shall make necessary adjustments/modification to their proposals in reference to this addendum. Except as described in Addendum-I, the original RFP document remains unchanged.

The Addendum-I to the RFP document and response to pre-proposal queries (Annexure-I) are also available on the website www.rdd.bih.nic.in and can be downloaded by perspective consultant firms.

The Addendum-I and response to queries (Annexure-I) raised in pre-proposal conference/received through email/postal services are tabulated below:



Addendum No. 1: RFP NO.CS-07

“Hiring of Public Financial Management – Technical Support Consultant Firm for

S. No	Clause Reference	Original Clause	Amended Clause
1.	Section- II Instructions to Consultants E Data Sheet: ITC17.7 and 17.9	The Proposals must be submitted no later than: Date: June 4, 2018 Time: 3.30 PM Proposal submission address is: Deputy Project Director BISPS Project Bihar Rural Development Society (BRDS) Red-cross Building, East Gandhi Maidan; Patna- 800001, Bihar Phone No: +91-612-2219004 Email address: <i>bisps.dpd@gmail.com</i>	The Proposals must be submitted no later than: Date: June 18, 2018 Time: 3.30 PM Proposal submission address is: Deputy Project Director BISPS Project Bihar Rural Development Society (BRDS) Red-cross Building, East Gandhi Maidan; Patna- 800001, Bihar Phone No: +91-612-2219004 Email address: <i>bisps.dpd@gmail.com</i>
2.	Section- II Instructions to Consultants E Data Sheet: ITC 19.1	An online option of the opening of the Technical Proposals is offered: No The opening shall take place at: Date: June 4, 2018 Time: 4.00 PM Venue: Bihar Rural Development Society, Red-cross Building, East Gandhi Maidan; Patna- 800001, Bihar Phone No: +91-612-2219004	An online option of the opening of the Technical Proposals is offered: No The opening shall take place at: Date: June 18, 2018 Time: 4.00 PM Venue: Bihar Rural Development Society, Red-cross Building, East Gandhi Maidan; Patna- 800001, Bihar Phone No: +91-612-2219004



(Arvind Kumar Chaudhary)
Secretary,
Rural Development Department,
Government of Bihar

Copy to: Mr. Sunil , IT manager, RDD GoB for necessary action.

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Annexure-I

Response to queries of potential consultants on RFP document for Hiring of PFM-TSC for Bihar Rural Development Society (RDD; Govt. of Bihar)

S. No.	Bid document Reference Section/clause/terms	Clarification sought	Response of BRDS
1.	10.2 (Page No. 26) Statement of Undertaking	Is there any specified format in which the Statement of Undertaking needs to be provided. Currently no format has been provided.	<ul style="list-style-type: none"> • There is no standardized format for Statement of Undertaking. The consultant shall include statement of undertaking to observe, in competing for, executing contract and client country's laws against fraud and corruption. • The consultant may use their own format which duly fulfill above requirements. • The statement of undertaking in letter head is acceptable.
2.	16.1 (Page No. 27) Out of Pocket Expenses	Do we need to include expenses for travelling outside of Patna	<ul style="list-style-type: none"> • The travel expenses for travelling outside Patna shall be included and indicated in form FIN-4. • Please refer Clause 16.1 of the Data sheet
3.	4 (Page no. 58) Scope of Work	By when it is expected that the Tally Software will be implemented at all the accounting offices. Whether the tally being installed is single user or mutli-user.	<ul style="list-style-type: none"> • Installation of Tally Software is under process and expected to be completed by June 2018. • BRDS has procured both Multiuser Tally software for state and district offices and Single User for block offices.
4.	4 (Page no. 58) Scope of Work	Whether accountants have been deployed at all the accounting offices	BRDS has accounting personnel at State, District and Block offices.
5.	4 (Page no. 58) Scope of Work	From which period do we need to support the accounting in Tally.	Expected date for commencement of services is July 2, 2018. Please refer clause 30.2 (Instruction to consultant: data sheet)
6.	4 (Page no. 58) Scope of Work	Is there any data back log which needs to be updated in Tally	Yes, BRDS do have backlog of financial information and data which need to be updated on



S. No.	Bid document Reference Section/clause/terms	Clarification sought	Response of BRDS
			Tally.
7.	4 (Page no. 58) Scope of Work	Do we need to prepare an opening balance sheet as of a cutoff date. Are the guidelines for preparation of opening balance sheet been finalised	No such services are required.
8.	4 (Page no. 58) Scope of Work	Do we also need to prepare fixed asset register for the purpose of preparing opening balance sheet. Are the guidelines for preparation of fixed asset register been finalised	Yes, consultant need to prepare fixed asset register and guidelines are also available.
9.	4 (Page no. 58) Scope of Work	Would the Tally Software vendor be available for customization of tally for the preparation of standard financial reporting formats	<ul style="list-style-type: none"> • PFM-TSC required to develop Standard Chart of Accounts for the various schemes, configure Tally ERP 9.0 application software as per requirement and roll out Tally accounting system in RDD/BRDS. Please refer Section:7; Terms of reference, 4:Scope of Work. • Customization of the Tally ERP 9.0 application software will be done inhouse.
10.	4 (Page no. 58) Scope of Work	Can you please define online and offline training.	<p>Online trainings do not require physical presence of the instructor and can be conducted by using ICT tools like internet, Video lessons, online training modules etc.</p> <p>Offline training is another mode of training in traditional setting which do require active presence of instructor/coordinator.</p>
11.	4 (Page no. 58) Scope of Work	Do we need to establish any online portal for query resolution.	<ul style="list-style-type: none"> • Yes, online portal will be required. • The expenses on same may be indicated at reimbursable

S. No.	Bid document Reference Section/clause/terms	Clarification sought	Response of BRDS
			expenses (form FIN-4).
12.	4 (Page no. 58) Scope of Work	Do we need to provide any software for e-payment mechanism etc	No such software is required.
13.	4 (Page no. 58) Scope of Work	Can you please let us know about the various financial manuals currently in existence.	Currently BRDS is following BFR (Bihar Finance Rule).
14.	4 (Page no. 58) Scope of Work 4 (Page no. 58) Scope of Work	Do we need to undertake audit as well since point (xi) asks us to ensure internal control and their compliance at all level. Further, since the team would be based at Patna, how can they ensure compliance at all levels.	<ul style="list-style-type: none"> • Conducting audit is not under scope of work of PFM-TSC. • The PFM-TSC consultant may be require to support audit process in context of Tally based accounting system roll out. • BRDS has designated Financial Management personnel at state, district and block office.
15.	4 (Page no. 58) Scope of Work	Do we need to provide any audit management software which would help in tracking audit queries.	<ul style="list-style-type: none"> • Consultant may provide audit management software if its thinks its relevant to the project. • The expenses on same may be indicated at reimbursable expenses (form FIN-4).
16.	4 (Page no. 58) Scope of Work	The deliverable timeline for all the activities needs to be revised as it would not be possible to deliver within the given timeline considering the consultant need to cover 573 offices as the work would also depend on the support available from the various stakeholders. The timeline needs to be changed for the following: a. Development of chart of accounts b. Rollout of Tally	<ul style="list-style-type: none"> • As mentioned, timelines are indicative and will be finalized after mutual discussion and agreement. • Please Refer Section:7 Terms of Reference; 5: Indicative schedule for completion of the task.

S. No.	Bid document Reference Section/clause/terms	Clarification sought	Response of BRDS
		c. Data Digitization	
17.	4 (Page no. 58) Scope of Work	Currently the payment terms has been envisaged on quarterly basis based on the actual deployment. However, we request you to kindly modify the same and make milestone basis as the basis of payment. This would help in increasing the value to the project. Undertaking payment based on deployment would be wasteful expenditure as the milestone may not be achieved inspite of actual deployment.	<ul style="list-style-type: none"> • Please refer Part-II, III. Special condition of contract; GC Clause 45.1 (b) for payment terms. • The BRDS will also provide quarterly work plan/plan of action for PFM-TSC, the performance of team on quarterly work plan will also be considered during payment.
18.	4 (Page no. 58) Scope of Work	Is all the required infrastructure in place such as manpower, software and hardware	If referring to Human resource, Software (Tally ERP:09 Application software) and Hardware required for Financial Strengthening, BRDS do has designated financial and audit personnel, computer systems, while Tally software installation is under process and expected to be complete by June 2018.
19.	4 (Page no. 58) Scope of Work	We are required to configure tally, however, no IT person has been asked for in the TOR. If any configuration is required, then would it be done by BRDS at its own cost.	<ul style="list-style-type: none"> • As of now BRDS has not assessed any high end coding requirement for configuration of Tally software. • BRDS is also in the process of appointing IT manager and support staff who will extend required support to PFM-TSC consultant.
20.	4 (Page no. 58) Scope of Work	Is the tally online version available, as this will help in consolidation process.	No, BRDS has procured offline Tally accounting software.
21.	4 (Page no. 58) Scope of Work	How may training programs are to be organized.	Number of the training programs to be organized largely depends on consultant proposed

S. No.	Bid document Reference Section/clause/terms	Clarification sought	Response of BRDS
			methodology, work plan and skill of the consultant proposed team.
22.	17.7 (Page no. 28) Submission of Proposal	Request you to kindly extend the proposal submission date by one-two weeks as we would need at-least two weeks from the date the responses to the pre-bid queries are provided.	<ul style="list-style-type: none"> Revised Proposal submission date is June 18, 2018 at 3.30 PM. Please refer to Amendment-I to RFP
23.	4 (Page no. 58) Scope of Work	Whose responsibility would it be for the preparation of claims, utilisation certificate, quarterly report, financial statement etc.	The claims, utilisation certificate, quarterly report and financial statement will be prepared by the BRDS Financial Management team with required support from PFM-TSC Firm.
24.	4 (Page no. 58) Scope of Work	If the accountant is not available at few of the locations, then whose responsibility it would be to complete the work for the specified location	In case if the accountant is not available at work location, BRDS will make due arrangement.
25.	Section 7, Terms of Reference, Clause 4(iv) (read with Footnote No.8)	Roll out the Tally Accounting System: It is understood that BRDS would deploy separate staff (other than those mentioned in Footnote No. 9) to do the regular accounting of vouchers and transactions using the Tally Accounting System. The Consultants would provide the necessary technical and handholding support to roll out the system and ensure functioning of the system. The consultants assume that the BRDS deploy separate team for regular accounting, whom the Consultants would support and	<ul style="list-style-type: none"> BRDS already has designated Financial Management Staff at its state, districts (mentioned in foot note:1) and block offices (accountants) to perform day to day accounting and financial tasks. The PFM-TSC consultant is required for Tally configuration and rollout, transforming the manual accounting system to Tally based accounting system, Tally synchronization and preparation of financial reports/ statements related with BRDS schemes. Please refer Section:7 Terms of Reference

S. No.	Bid document Reference Section/clause/terms	Clarification sought	Response of BRDS
		handhold for smooth accounting function. Kindly clarify	
26.	Section 7, Terms of Reference, Clause 4(vii) read with Deliverable Schedule	Training materials: What would be the language of such training materials – English or Hindi? In case, there is a requirement for Hindi translation of training material, and this would be technical matter, the consultants would request for support of authorized translators and factor the cost in the price bid. Kindly clarify PFMTS/PSP/Clar/04	<ul style="list-style-type: none"> • Training materials are required in both Hindi and English language. • The consultant may utilize service of authorized translator at his own discretion.
27.	Section 7, Terms of Reference, Clause 4(xii) (read with Footnote No.10 and 11)	Ensure and support proper digitization of legacy financial data from a cut-off date. Is it possible to clarify, how remote would be the cut-off date? As the consultants understand that if the cut-off date is too remote, then the volume of data required for porting would be large, and time involvement would be there. In addition, would the porting include schemes or programs for which the programs and bank accounts are closed or the porting of legacy data would be selective and from a near cut-off date? Kindly clarify	<ul style="list-style-type: none"> • The cut-off date for digitization of legacy data is April 1st, 2018. • The porting of the legacy data will be for all schemes/programs functional at block level as on April 1st 2018.
28.	Section 7, Terms of Reference, Clause 4(xiii)	Terms of Reference for Audit: The consultants understand that this	<ul style="list-style-type: none"> • The PFM-TSC consultant required to support development of terms of



S. No.	Bid document Reference Section/Clause/terms	Clarification sought	Response of BRDS
		<p>term of reference would be for firms of Chartered Accountants whom BRDS would deploy for financial/management audit. The audit does not include any other technical audit and does not cover the audit by Local Fund Auditors or by C&AG and other auditors appointed specifically under schemes of the Union and the State. Kindly Clarify</p>	<p>reference for audit (internal), auditor (internal) selection and review performance of auditors and establish a system for resolution of audit findings</p> <ul style="list-style-type: none"> • Please refer to Section 7, Terms of Reference, Clause 4(xiii).
29.	Section 7, Terms of Reference, Clause 8	<p>Facilities to be provided to PFM-TSC, Proper place to sit, stationary etc: Kindly clarify, whether such facilities involve cost to the consultants or provided free of cost</p>	<ul style="list-style-type: none"> • The BRDS will provide work place to the PFM-TSC consultant team and internet facility. • Other required expense shall be indicated in reimbursable Expenses (form FIN-4).
30.	Clause 8 Point No. (iv) ToR	<p>It mentioned that proper place to sit, stationery and desired communication facilities telephone/internet etc. Please clarify whether it includes hardware and software facilities also. In other word, who (BRDS OR consultant) will arrange required hardwares and software's for team deployed by the consultant.</p>	<ul style="list-style-type: none"> • The BRDS will provide work place (at Patna) to the PFM-TSC consultant team and internet facility. • other required expense shall be indicated in reimbursable expenses. • Please refer, Instruction to Consultant; Clause 16.1
31.	Clause 9 ToR	<p>It is mentioned that consultant have to deploy key expert's team containing 6 persons and non-key persons team containing 12 persons. As mentioned in evaluation</p>	<p>The consultant is required to submit CV of Key Experts (6) with proposal documents and the CV of the Non-Key Experts (12) can be submitted on or before contract negotiation.</p>



S. No.	Bid document Reference Section/clause/terms	Clarification sought	Response of BRDS
		criteria, marking will be done only for key-experts team. We request to clarify whether we have to submit CV of key experts and non-key experts both at the time of tender submission. We request you to take CV of key experts only at time of bid submission and non key experts CVs may be taken at the time of agreement signing.	
32.		It is noticed that payment terms has not been mentioned in the RFP about how to payment will be made to the consultant.	The Payment terms are mentioned at Part II; III. Special condition of the contract, GCC 45.1 (b).
33.		Frequency of visits of accountants and Core Experts	If consultant is referring to number of required visits for assignment by accountants and Key Experts, the extent of the travel will depend on proposed methodology and work plan furnished by the consultant.
34.		Satellite office is required or permanents office is required and where and no of branches	It's on discretion of PFM-TSC consultant to set up satellite or permanent offices.
35.		Categorically and specifically should mention what will be the responsibility of consultant and Client	<ul style="list-style-type: none"> • Please refer Section:7; Terms of reference, 4: Scope of Work for details on consultant responsibilities. • The facilities to be offered by client is also mentioned in Scope of work
36.		Categorically and specifically should mention what facilities will be born by the consultant or clients	Please refer Section:7; Terms of reference, 4: Scope of Work for details on facilities to be offered by client and responsibilities of the consultant.
37.		Procedure of roll out of	<ul style="list-style-type: none"> • Please refer Section 7; Terms

S. No.	Bid document Reference Section/clause/terms	Clarification sought	Response of BRDS
		tally and its manner	of Reference. <ul style="list-style-type: none"> Rollout of Tally software is included in the scope of the work of the consultant and its expected that consultant will provide work plan including proposed methodology for roll out.
38.		Training methodology and its cost chart.	Consultant is required to propose appropriate training methodology and its cost.
39.		Billing and Payment should be done on monthly basis. Reimbursement of expenses need to be settled on monthly basis.	Please refer payment terms mentioned at Part II: III. Special condition of the contract, GCC 45.1 (b).
40.		Required posting of the manpower – key personal or non-key personals	If consultant is referring to number of Key and Non-Key Experts, BRDS requires six (6) Key Experts and twelve (12) Non-Key Experts.
41.		Type of expenses reimbursable and its rates	Please refer, Instruction to Consultant: Clause 16.1 for detail on reimbursable expenses.
42.	Ensure and support accounts data digitization for porting to Tally subject to finalization of cut-off date (date from which data will be ported) in coordination with BRDS.	<ol style="list-style-type: none"> From which Financial Year Data will be ported to tally within 3 months of installation of tally? What about availability of opening balance for porting the data to tally? It is also clear, how many financial year have to finalize within 2 year of contract. 	<ul style="list-style-type: none"> The cut-off date for data porting will be April 1, 2018. The opening balance for data porting on Tally is available.
43.	Support in synchronization of the Tally data of all the district level units.	Please clarify synchronization of tally data of block directly to state level or District and	<ul style="list-style-type: none"> BRDS requires synchronization of its financial data at all institutional level i.e Block, District and State.

S. No.	Bid document Reference Section/clause/terms	Clarification sought	Response of BRDS
		<p>state level both? With our earlier experience we have faced that most of the time the synchronization of data is not completed successfully due to various reason which are listed due to various reason which are listed below:</p> <ol style="list-style-type: none"> 1.Data not feeded in uniform ledger accounts 2.Data not recorded correctly 3. Not availability of high speed internet services at block level. 4. Many ledgers are created at different level of accounting. 	<ul style="list-style-type: none"> • BRDS will resolve all relevant issues indicated or encountered during roll out for smooth and on-time synchronization of its financial data.
44.	<p>Ensure functioning of the system and facilitate monthly consolidation of the financial information from the computerized accounting system at and between state, district and block units in accordance with the established and applicable guidelines/formats</p>	<p>Instead of monthly consolidation of the financial information from the computerized accounting system at and between state, district and block units in accordance with the established and applicable guidelines/formats can be done on quarterly/half yearly and annually. And also it takes more time and resources to consolidate monthly.</p>	<p>The data consolidation may be taken up on quarterly basis (will be discussed and finalized later with PFM-TSC). Though BRDS/RDD will require monthly updates.</p>
45.	<p>In doing so, financial management teams of specialists have already been deployed at district level, existing PMAY-G</p>	<p>Accounting at block level and district level will be done by financial management teams of specialists have already</p>	<p>BRDS will ensure timely update and entries of accounting data/information at block/district/ state.</p>

S. No.	Bid document Reference Section/clause/terms	Clarification sought	Response of BRDS
	accountants have been co-opted under the BISPS project after successful completion of tally training and assessment and establishment of state program management unit (SPIU) in progress.	been deployed at district level with PMAY-G accountant and State team will provide necessary support and training to be clarified. If existing PMAY-G accountants at block level have not update the account in tally on time, then who will be the responsible to provide update accounts or to update tally entries.	
46.	Necessary hardware for rollout of Tally has been procured while installation of Tally ERP 9.0 application software is underway.	Status of Server of adequate capacity to save and synchronize the tally data at state and district level and work station at each block and district level with high speed internet facility and adequate power backup for ensuring the entries and synchronization of data.	BRDS will ensure required server, internet and power back up facilities for data synchronization.
47.	Regularly monitor the preparation and submission of desired financial statements by district to state and state to GoI/World Bank in respect of the targeted schemes	Please clarify the periodicity of submission of desired financial statement/report to the world bank and number of targeted scheme.	BRDS requires to furnish quarterly, half yearly and annual financial statement/report/information to RDD and World Bank.
48.	This is a time- based assignment. The consulting firm will quote quarterly remuneration of each team member based on 5 days working per week. Remuneration will be paid on actual number of days worked.	However, it is a time-based assignment, the payment to the consultant is linked with the deliverables timelines/period given in section 5 indicative schedule for completion of task given in page no. 59 & 60.	The payment terms are mentioned at Special condition of the contract, GCC 45.1 (b).

S. No.	Bid document Reference Section/Clause/terms	Clarification sought	Response of BRDS
	Taxes to be stated separately. Any travel/ lodging and boarding cost outside of Patna as per agreed norms will be reimbursed in addition to the given remuneration		
49.	The team will be supported by adequate number of support staff including qualified / semi-qualified personnel and trainers to be determined by the consulting firm.	The rate of payment and number of support staff required to be mentioned in the financial proposal or the number and payment term will be decided later on after the appointment on need to need basis.	As mentioned, the number, payment etc of the required support staff to be determined by consultant and shall be indicated in Financial Forms.
50.		Who will coordinate with the Auditor during the Audit. Nothing is mentioned in the ToR. Hence It is assumed that it is done by BRDS with own team.	BRDS will coordinate and Manage Audits and Auditor with required support from PFM-TSC.

