
Request For Proposal for Selection of Consulting Agency

Solution Approach for
Integrated Financial &
Human Resource
Management Systems
for Government of
Haryana

Issued By: Department of Finance,
Government of Haryana

Organization of this Document

Part 1:Engagement Overview	4
1.1 Letter of Invitation	4
1.2 Overview of Finance Department and Services	7
1.3 Outcomes of the Proposed Engagement	9
1.4 Responsibilities of Parties	12
1.5 Deadlines.....	15
1.6 Key Information	16
Part 2: Bid Process	17
2.1 Eligibility Criteria	17
2.2 Bid Processing	22
2.3 Negotiations.....	26
2.4 Award	27
2.5 Bid Evaluation	28
2.6 Scoring Pattern.....	30
2.7 Submission, Receipt and Opening of Proposals	34
Part 3: Terms of Reference	35
3.1 Objectives of the Engagement.....	35
3.2 Scope of Work.....	36
3.4 Key Competencies	53
3.5 Consultant Monitoring Arrangements	55
3.6 Project Timelines	58
Part 4. General Conditions of Contract.....	59
4.1 Draft Contract.....	59
Part 5: Appendices.....	60
5.1 Additional Information Related to the Project	60
5.2 Formats For Submission Of Proposal.....	71
5.3 Checklist For Pre-Qualification Criteria.....	72
5.3 Checklist For Technical Evaluation.....	74
5.4 Format For Citations	76
5.5 Suggested Format Of Curriculum Vitae (CV) For Key Staff	77
5.6 Consolidated Deadlines & Resource Deployment Plan	78
5.7 Financial Proposal Submission Form	79
5.8 Form of Bank Guarantee for Advance Payments	82

Part 1: Engagement Overview

1.1 Letter of Invitation

- 1.1.1 The initiation of the National eGovernance Plan (NeGP) has catalyzed large scale adoption of ICT initiatives at the State level. Most Government Departments see this as an opportunity to improve efficiencies by automating back office functions concurrently with their core services. It is also common knowledge that some of these Departments have already computerized their back office either with the help of NIC or other agencies.
- 1.1.2 It has now become essential to take a fresh look at this approach not just from the Department's internal requirements, but more from a macro level, in order to leverage inter-departmental synergies that can provide significant benefits at the State level. A more focused approach is required to develop an architecture that allows various back office functions to operate in a cohesive way.
- 1.1.3 The Integrated Financial and Human Resources Management functions are proposed to be taken up initially in formulation of such a framework. This will also include related functions such as Treasury Operations, Budgeting, Payroll, Benefits Management, Pension Administration etc. New options such as online payment for Government transactions are also envisaged that can be commonly used across multiple departments besides tighter integration with external agencies such as Banks who are logically the end points in the completion of service initiation or delivery.
- 1.1.4. While the theme would be common across various Departments (and other government agencies), a Pilot may be necessary to showcase the viability besides providing an insight into the type of efficiencies that would accrue from such integrated back office operations. Consequently, the core areas of HR and Finance to be taken up initially will naturally include a whole gamut of associated functions such as Payroll processing, Budget control and treasury management functions, necessary to formulate the big picture. These would typically culminate in enabling the State's ways and means position being reported with accuracy on a daily basis. The pilot is likely to have substantive coverage for the Treasuries and Finance Departments coupled with HR functions for one or two select Departments. The pilot will also provide opportunities to understand the impact of new paradigms such as (portal based) HR self service functions and how these would manifest in the Government environment.

- 1.1.5. In a way, this exercise may appear to be similar to conceptualizing an Enterprise Resource Planning (ERP) solution that can effectively meet the unique requirements of State Government Departments. While unbiased requirements definition that is modeled on an improved set of operational processes is an unambiguous deliverable, this engagement should not be construed as an evaluation exercise for adoption of Commercial ERP software packages. In all fairness the feasibility and effectiveness should be considered and there are quite a few Departments in the State who seem to have adopted (or in the process of adopting) packaged ERP solution.
- 1.1.6. While the Government is platform agnostic, it is essential not to lose sight of some of the existing systems that are already operational and ensure its cohesive migration into the proposed new framework, in view of the investments already made. The approach adopted should provide reasonable flexibility to Departments in adopting a solution platform of their choice, subject to the conformance of procurement norms. In case it is not possible for such heterogeneous systems to co-exist, strategies to avoid excessive dependence on any single platform should be avoided, as far as possible. It is imperative that a clear migration path would also need to be provided for the existing systems to a unified platform.
- 1.1.7. A critical new element will also emerge as a result of this exercise, namely the **state data asset**. The quality and reliability of this asset, by and large, will determine the sustainability of the value proposition. The State also plans to make this data asset conform to the requirements of the upcoming Adhaar (UID), as the target data lends itself as an ideal sampling to study the benefits of Adhaar adoption.
- 1.1.8. Since the requirements are fairly mature in the areas of HRMS and Finance and there is an abundant influx of domain experience from the private sector, it will be essential to leap frog on the requirements so as to determine the reforms that are needed in the Government space. A rapidly developed Pilot can facilitate validation of technical matters besides helping to crystallize issues that have to be tackled during the larger statewide rollout.

1.1.9. This document aims to provide comprehensive information to Consultants who are desirous in participating in the bid process. Thank-you for your interest and we look forward to your participation in the Bid process.

Sincerely,

Financial Commissioner & Principal Secretary (Finance)

1.2 Overview of Finance Department and Services

- 1.2.1 The Finance Department of the State Government is responsible for the fiscal management of the state. The primary function of the Finance Department is to prepare the Budget. The budget is laid before the legislature every year and upon completion of voting by the legislative assembly the Finance department allocates the budget to various head of departments, budget controlling officers and ultimately to the drawing and disbursement officers. The budget is released to various departments in strict conformity with the financial position of the state exchequer. To this extent, flexibility is necessary for the active management and control of the budget so as to balance the fund availability and managing expenditure while staying within the budget.
- 1.2.2 Another important functionality of the finance department in addition to the budgetary exercise is to monitor the “Ways and Means” position of the state. On basis of the “Ways and Means” position the finance department takes appropriate policy measures to maintain the financial discipline. It also monitors the status of external aided schemes including the central government aided schemes and is also involved in verification of expenditure and submission of utilization certificate to the concerned external agency.
- 1.2.3 Under various schemes the state government provides assistance in forms of loans, equity, debenture etc. The finance department functions as the nodal agency and is responsible for adherence to agreed terms and conditions of these schemes. The finance department also manages the loan and advances made to state government employees under various categories like purchase of scooter, car, house etc. Once approved by the finance department the release and recovery of the same is done through respective treasury/ sub-treasury.
- 1.2.4 Fiscal operations of the state largely fall within the scope of work that is carried out by Directorate of Treasury and Accounts, , Department of Institutional Finance and Credit Control, Department of Planning and around 10 branches of the Finance department operating at Civil secretariat. The Directorate of Treasury and Accounts is under the administrative control of the finance department. This Directorate performs its activities through 21 district treasuries and 83 sub-treasuries. There are approximately 6,600 Drawing and Disbursement officers (DDO) across various departments who

interact with the treasuries for withdrawal (expenditure) and deposits (receipts) of funds from the consolidated fund of the state. Each treasury is associated with a treasury bank except in the case of one treasury which is associated with two treasury banks. The treasury bank makes withdrawal and receipts of funds with the consolidated fund of the state (CFS) which is maintained with the Reserve Bank of India.

1.3 Outcomes of the Proposed Engagement

- 1.3.1 The Usage of computer system in managing the various functionalities in the Finance Department primarily in the office of Director to Treasuries and Accounts along with associated treasuries and sub-treasuries was introduced about eight years back with the implementation of online treasury information system. Since then, some new additional software applications have also been added to expand the scope of electronic operations.
- 1.3.2 Though progress has been achieved in the areas of bill processing, preparation of budget document and budget control, a lot of ground is yet to be covered in order to comprehensively and effectively address the requirements of integrated financial management for the State.
- 1.3.3 Therefore, the department intends to initiate the development of an Integrated Financial Management and Human Resource Management System (IFMS & HRMS, or simply referred to IFMS in this document). This project has been envisaged to make budgeting controls more effective, improve cash flow management, promote day-wise reconciliation of accounts, improve accuracy and timeliness for preparation of accounts, and bring about transparency and efficiency in public delivery systems, better financial management along with improved quality of governance in the state. By bringing in the HRMS system and its integration with IFMS, the process of generation and submission of pay-bills, pension management, loans and re-imbursements of employees, maintenance of service records etc. can be completely automated or performed with minimum manual intervention. These will bring in quantum efficiency improvement in back office work at various levels, besides reducing the traditional problems associated with a paper based system. Besides the automation is also expected to greatly simplify the budget preparation exercise arising out of employee related requirements.
- 1.3.4 Department of Expenditure, Ministry of Finance, Government of India has initiated the “Computerization of State Treasuries” (referred sometimes as ‘eTreasuries’ Project), a Mission Mode Project under the National eGovernance Plan (NeGP) for which Central assistance is being provided. The alignment and commonality of goals between Haryana State’s vision and the Central initiative

has only strengthened the adoption of the proposed project. In order to obtain central assistance it is necessary to adhere to certain GOI guidelines issued in this regard. Based on the preliminary assessment of these guidelines, it is feasible to adopt these guidelines and does not seem to pose any potential conflicts with the State's line of thinking. It may be noted that the state expectation from the proposed project is more comprehensive than what has been envisaged as part of the eTreasuries MMP.

1.3.5 It is advantageous to consider taking up the proposed project under a holistic service delivery model whereby the agency implementing the project will make comprehensive provisions to support end-to-end service delivery such as software application, hardware and IT infrastructure, data migration and digitization, training, help desk, IT management and other operations support. An Implementing Agency (IA) will need to be engaged who will develop the solution and rollout through the state besides providing all necessary support for sustainable operations for a period 3 or 5 years after the rollout.

1.3.6 The Department proposes to engage a consulting agency. They would be responsible to drive the project on behalf of the department and perform activities like:

- Strategize computerization for all sections/directorates of the Finance Department
- Formalize procedures for Budget preparation, authorization, control and review
- Treasuries – both inflow and outflow side
- Integrate Finance Functions leading all the way to determining ways and means position on a daily basis
- Make budgeting function for personnel related matters as a largely automated function
- Formulate methodologies for effective Ways and Means management
- Improve Debt and Aid management
- Standardize payroll and make salary credits as an automatic function
- Establish the all pension disbursement related tasks and automate this similar to payroll
- Improve HR Processes
- Introduce self service for HR functions
- Introduce Adhaar and put in biometric controls where it is valuable
- Control paper movement in the entire process

- Recognize what state data assets will flow out of this solution and device strategies to manage them
- Develop an effective solution architecture that demonstrate the utilization of State IT Infra, adoption of solution implementation standards/guidelines, highlight process reform, bring out inter-operability requirements and showcase leveraging of state assets (such as Adhaar biometric and demographics). This should cover as a minimum the following elements:-
 - SDC, SWAN, CSC (or some similar front end)
 - State Portal
 - State eGovernance Service Delivery Gateway (including messaging and gateway related programming)
 - Integration of functional systems, namely, Finance and HR with Commercial ERP packages as well as other equivalents including NIC developed systems
 - Effective integration with Banks as compared to present levels
 - Introduction of common state-wide payment gateway mechanism (Cybertreasury)
 - Clearing house for paper
 - Adhaar deployment approach
 - Data migration needs
 - Records management
 - Workflow
 - Two distinct ways of application processing – centralized (similar to ASP) and distributed (i.e. localized at each Department)
 - Involve geographic integration
 - Commercial structuring options
 - Rollout strategy
 - Scaling issues and change interventions
 - etc.

1.4 Responsibilities of Parties

1.4.1 Consultant

A. Concept Development:

- a. Preparation of Detailed Project Report in line with the GOI Guidelines for MMP under NEGP and assist the department on the approval process with GOI;
- b. Capturing the “As-IS” of the various processes followed within the department and come up with the “To-be” as part of BPR activity. This should include for processes related with Treasuries/sub-treasuries, DDO, Accountant General and any other associated offices;
- c. Assessment of the current system used within the government for integration and to preserve the learning of the project;
- d. Study comparable other state solutions to bring in the learning and best practices;
- e. Propose a framework for implementation of state-wide Human Resource Management System and its integration with the proposed IFMS;
- f. Propose modifications to the Subsidiary Treasury Rules for improving the Financial Management and service delivery;
- g. Plan in line with the overall project phases provided in the RFP. The same should be prepared in consultation with the Finance Department;
- h. Solution architecture
- i. Rollout and operations strategy
- j. Financial structuring model for adoption by multiple departments as and when they are ready in the most optimal and simple manner
- k. Establish a framework for service levels and a methodology for making commensurate payments

B. Program Development:

- a. Preparation of RFP for Implementing agency based on the broad requirements provided by the department and assist the department to manage the bidding process;
- b. Assistance in setting up of Project eGovernance Mission Team ;
- c. Advice department on technology obsolescence by appropriate up gradation, replacement and /or replenishment of systems deployed at various locations (data center, Finance department, Treasury directorate, district and sub-treasury etc.).
- d. Manage and Monitor project schedules and ensure timely delivery of the project artifacts;
- e. Arrange for testing standards and acceptance criteria for Third party testing and certification of the solution;
- f. Establish reporting mechanisms (scheduled/unscheduled) and submit periodic status reports to the Department and participate in the Project related meetings;

C. Program Implementation:

- a. Assume overall responsibility of managing and monitoring of the project
- b. Suggest and manage roll-out or Replication of the pilot implementation throughout the state;
- c. Oversee the Capacity building program for the Department;
- d. Undertake site visits during the execution of the project ;
- e. Establish the Service Levels as agreed;
- f. Obtain Completion of the pilot project certification from concerned stakeholders;
- g. Plan and Facilitate Data Migration;
- h. Issue Resolution.

D. Program Stabilization and Steady State Operation (Post Implementation):

- a. Review the Pilot implementation and report compliance and non-compliance to the department and the IA. Also suggest refinements based on the pilot learning to be made for the state-wide rollout;
- b. Monitor the Service Levels as agreed;
- c. Obtain completion of state wide rollout from concerned stakeholders;
- d. Support any issue/conflict resolution process as required for smooth running of the project.

1.4.2 Finance Department

- a. Make all necessary support and personnel available to facilitate smooth conduct of work as in the scope of this agreement;
- b. Set up mechanisms as per the government requirements to steer the project.
- c. Provide permission/authorize to the consultants of the agency to interact with its staff and visit the field offices as required to carry out the required work within the scope of this RFP;
- d. Provide necessary resources for constitution of Project eGovernance Mission Team;
- e. Establish policy framework for access to IFMS & HRMS for other departments including identification and facilitation of Pilot project location;
- f. Conduct regular meetings for monitoring and issue resolution;
- g. Ensure payment of amounts due to the consulting agency in terms of the milestones and payment terms as agreed;
- h. Ensure timely signoffs on the various deliverables by the Consulting agency as defined in the Scope of work;
- i. Facilitate in co-ordination with other departments for the activities related with the project;
- j. Ensure close co-ordination with NIC or any other agency involved in current service delivery ;

- k. Provide data and information for smooth conduct of the project.

1.4.3 User Department(s)

- a. Ensure close co-ordination with the Finance department and all other associated agencies during various phases of the project;
- b. Facilitate for early adoption of proposed IFMS and HRMS by departmental users;
- c. Provide necessary resources for smooth conduct of Departmental related activities within the scope of proposed IFMS and HRMS;
Participate in the issue resolution process for matters pertaining to the department;
- d. Provide permission/authorize to the consultants of the agency to interact with its staff and visit the field offices as required to carry out the required work within the scope of this RFP
- e. Provide data and information for smooth conduct of the Project.

1.4.3 I.T. Department

- a. Provide technical advice/consultation for the implementation of the proposed IFMS and HRMS
- b. Draw synergies with other IT initiatives (wherever required) in the state like Adhaar, Commercial taxes etc.
- c. Co-ordinate with Finance department and other agencies on usage of state IT infrastructure/assets like SDC, SWAN, SSDG, State Portal etc.

1.5 Deadlines

Date for issue of bid document	<u>10th March, 2011</u>
Date of pre-bid meeting	<u>17th March, 2011 at 3:30 PM.</u>
Deadline for issue of clarifications to the bidders	<u>5th April, 2011</u>
Deadline for submission of Technical and Financial Proposals	<u>20th April, 2011 by 2:30 PM</u>
Date for opening Technical Proposal	<u>20th April, 2011 at 4:00 PM</u>
Indicative dates for bidder presentations	<u>4th May, 2011 at 10:30 AM to 5:00 PM</u> <u>(exact date and time will be intimated to the bidders satisfying pre-Qualifications Criteria)</u>
Indicative date for opening Financial Proposal	<u>20th May, 2011 at 3:30 PM.</u>

Kindly note, that any modification on the above dates will be only notified on the website. No separate notifications/communications regarding the dates (apart than Technical Presentations) will be made by the department. Hence, the bidders shall visit the website regularly for any such updates.

1.6 Key Information

Bid Reference	Memo No. 3002-TA-HR(17T)2011/4210 Dated: 07/03/2011
Name and Address Client	Department of Finance, 7 th Floor, Haryana Civil Secretariat Chandigarh
Nodal officer for this bid process	Sri. Harinder Kumar Director Treasuries and Accounts 2 nd Floor, 30 Bays Building, Sector 17, Chandigarh treasuries@hry.nic.in
Venue for all meetings (including Pre-bid meeting), unless specified otherwise	Haryana Niwas, Sector 3, Chandigarh
Bid Document & Cost	Bid documents can be downloaded from the website referred herein Cost of Bid Document: Rs. 5000/- Mode of payment: Demand Draft for Rs 5000/- (Rupees Five Thousand Only) payable at Chandigarh favouring 'Director, Treasuries and Accounts, Government of Haryana', The draft is to be submitted before the pre-bid meeting if the bidder desire to participate in the pre-bid meeting else the draft shall be submitted along with the proposal. Non-submission of the draft will lead to rejection of the bid.
Bid Security	Amount Rs. 5,00,000/- (Rupees Five Lakh Only) Payable as Demand Draft favouring 'Director, Treasuries and Accounts, Government of Haryana,' to be submitted along with the proposal.
Website	www.haryana.nic.in , www.hrtreasuries.gov.in

Part 2: Bid Process

2.1 Eligibility Criteria

2.1.1 General

- a. This invitation to respond to the bid is open to any registered company/firm **OR** a Consortium meeting all of the requirements stated in this Section.
- b. Should have been in operation for a period of no less than five (5) years at the time of bid submission
- c. Should have valid registrations for all statutory obligations
- d. In case of a Consortium, a Prime Bidder (also referred as 'Lead Partner') shall be specified and fully empowered to represent the Consortium.
- e. The eligible companies/firms must be incorporated under the Indian Companies Act, 1956 or The Partnership Act, 1932 or Limited Liability Partnership Act, 2008. In case the Applicant is a collection of companies/firms (hereinafter referred as "Consortium"), each member of the Consortium (hereinafter referred as the "Member") will have to be an incorporated company/firm as mentioned above.
- f. Since the Lead Partner is fully empowered to represent the consortium, any liability arising out of implementing the project shall rest with the Lead Partner. In addition, the consortium members will be jointly and severally liable for all project components for the full duration of the contract.
- g. Government-owned enterprises may participate on their own or as members of a Consortium only if they are legally and financially autonomous and operate under commercial law.
- h. The parent company of any subsidiary company, which is seeking eligibility on the financial strength of its parent, would have to give a written undertaking that it would bear all financial and contractual liabilities of the subsidiary with regard to the Project.
- i. The parent company of any subsidiary company, which is seeking eligibility on the technical strength of its parent, would have to give a written undertaking that its technical capabilities/ resources would be available to the subsidiary company as and when required.

2.1.2 Pre-qualification Criteria

At the time of submission of bid response, the Consultant (Prime Bidder in case of a consortium) should conform to and/or be able to demonstrate Organizational, Financial and Experience criteria as specified below:-

A. Organizational

- i. Possess at least fifty (50) technical staff during each of the preceding three (3) years. Such staff should have appropriate educational qualifications (such as Engineering/MCA/MBA or Masters Degree / higher, or with extended industry experience in lieu of education) and expertise in diversified areas as relevant to this engagement. Experience levels should conform to industry-accepted levels such as Principal Consultants, Senior Consultants and Consultants (in line with Department of IT, Ministry of Communications and IT, Government of India Guidelines for engaging consultants), with a balanced mix of experience at each of these levels.
- ii. Have consulting focus for the Government sector that is demonstrated by the successful completion of at least one (1) independent engagement (i.e. not as part of a consortium) for a State or Central Government Department / Agency in India during the preceding three (3) years.
- iii. The Consultant should not have been charged of involvement in any malpractice, fraud, scandal or any criminal case or have been blacklisted by any Central or State Government Department or Agency. It is also necessary for the Bidder to specify clearly any legal or disciplinary proceedings against them related to project engagements by such agencies.

B. Financial

- i. Annual Turnover during each of the last three financial years (i.e. FY 2007-08, 2008-09, 2009-10), should have been a minimum of Rs. Twenty five (25) Cr. that is generated from services relating to IT Consulting and IT Program/Project Management (i.e. revenue should be on account of IT Solutions consulting other than related to supply of hardware/IT infrastructure and their associated maintenance services, packaged software, etc.).

- ii. Net Cash Accruals (Profit after Tax + Depreciation – Dividends) over the last three financial years, to be a minimum of Rs. Five (5) Cr in each financial year.
- iii. Net Worth (Paid-up Share Capital + Free Reserves) of a minimum of Rs. Ten (10) Cr. in each of the last three financial years.

C. Experience

- i. Consultant must have successfully completed at least **one** consulting engagement of value no less than Rs. One (1) Cr., involving High Level IT Consulting AND Project Management, during the preceding three-year period in the Government sector. Such engagement must be related to systems that are geared to deliver multiple services to various stakeholders, multi-location, large data volumes and scalability of solution, where the services result in defined outcomes. Experience of working on initiatives related to Integrated Financial Management System and Human Resources Management System for Department of Finance of any other state would be an added advantage.
- ii. Consultant should have capabilities/expertise in all phase-specific requirements described in the scope of work that is demonstrable in a maximum of **three** separate customer engagements (which could also optionally include the Government assignment specified in paragraph 1 of this section) either successfully completed within the preceding three years or an on-going engagement where a deliverable or service completion has been completed and formally approved by the Customer. Such engagements should be of value no less than Rs. One (1) Cr. each. These engagements could either be for a Government Department/Agency or a geographically distributed enterprise with operations that is of comparable (or larger) size to that of the Finance Department of Haryana. The following experience attributes should be evidenced at least in one of the three engagements cited by the Consultant:
 - a. Conceptualization of holistic, end-to-end service oriented solutions
 - b. Business Process Re-engineering, including domain specific best practices
 - c. Program/Project Monitoring/Management
 - d. Requirements management
 - e. Development of Solution Architectures

- f. Project costing, financial and legal structuring
 - g. Review and monitoring Software engineering /solution development
 - h. IT Infrastructure evaluation, system, network and security management
 - i. Change Management, including training
 - j. Managing data migrations and digitization
 - k. Bid process management
 - l. SLA structuring and monitoring
 - m. Implementation of Helpdesk, issue/problem resolution mechanisms & change management
 - n. Experience in evaluation of managed services and structuring the same
 - o. Business continuity planning
 - p. Bid Process Management
- iii. In case Consultant's past experience requirements was through a consortium, Consultant should have been engaged in the areas listed in item no. 2 above with clearly defined task/deliverable responsibilities for which experience is evidenced.

Note: If case of a proposal being submitted as a Consortium, the roles and responsibilities between the Consortium partners should be clearly defined. It is also mandatory that the Lead Partner in the Consortium is responsible for Program Management and some of the other key tasks in this engagement.

2.1.3 Disqualifications

The bidder could be disqualified at any time during the bid process at its sole discretion of the Client, for the following reasons:

- a. Submitted the bid documents after the response deadline;
- b. Made misleading or false representations or suppressed relevant information in the bid proposal (including documents, forms, statements, attachments, presentations, etc.) submitted as proof of the eligibility requirements or as part of their proposal;
- c. Exhibited a record of poor performance such as abandoning works, not properly completing the contractual obligations, inordinately delaying completion or financial failures, etc. in any project in the preceding three years;
- d. Submitted a proposal that is not accompanied by required fee / deposit money as necessary;

- e. Failed to provide clarifications, non-responsive and/or substantive responses, when sought;
- f. Submitted more than one bid either individually or as a consortia member;
- g. Declared ineligible by the Government of India (“GoI”), State Government or any other Government owned agency including quasi-Government sector organization or company, for corrupt and fraudulent practices.

2.1.4 Restrictions

The consultant(s) (prime bidder and consortium partner) who are selected for this engagement/project or any associated work is prohibited from participating either as a bidder or in any manner in any of the further stages. However, Bidder can obtain a waiver in writing from the Client based on individual merit and necessary justification. Client however is not bound to provide such waivers and the decision of the Client shall be final and binding in this regard.

2.2 Bid Processing

2.2.1 General Information

- a. The bid process involves a three-stage evaluation namely, Pre-qualification, followed by the evaluation of the Technical bid and Financial bid.
- b. The bidder shall submit only one Proposal (also referred to as 'bid responses' or 'bid documents' herein)
- c. Format of the Proposal should be in conformity with Part 5 of this document
- d. Proposals should be in English Language
- e. The Bidder is not permitted to modify, substitute or withdraw their Proposal after submission
- f. Bid should be valid for a period of 180 days from the date of submission
- g. The **original** Proposal shall be prepared in indelible ink. It shall contain no inter-lineation or overwriting, except as necessary to correct errors made by the firm itself. Any such corrections must be attested by the person or persons who sign(s) the Proposals.
- h. An authorized representative of the bidder should sign on all the pages of the Proposal. The representative's authorization should be confirmed by a written power of attorney or board resolution accompanying the Proposal.
- i. Bidders should specify the price of their services in Indian Rupee (INR) only.
- j. During this period of the bid validity, the bidder is expected to keep available the key team of professionals proposed for the assignment. The Client will make its best effort to complete negotiations within this period.
- k. Client reserves the right to accept or reject any bid, and to annul the bid process and reject all bids at any time prior to award of contract, without thereby incurring any liability to the affected bidder(s) or any obligation to inform the affected bidder(s) of the grounds for such decision.
- l. Cost of preparing the proposal, presentations, negotiations, finalization of the contract, including visits to the Client, are not reimbursable.

2.2.2 Bid Documents & Other Bid Related Information

23

Bid documents and all other bid related information will be published in the website address specified in Section 1.6. Bid documents can be downloaded from the website and costs of the bid document made accordingly.

2.2.3 Pre-Bid Meeting

- a. A pre-bid meeting will be held on the date and venue as specified in Section 1.6.
- b. All those who have submitted the cost of Bid-document can participate in pre-bid meeting to seek clarification.
- c. Maximum of two (2) bidder representatives will be allowed to the pre-bid meeting
- d. The bidders have to submit any questions in writing (paper mail or e-mail) to reach the nodal officer named in Section 1.6 at least two (2) clear days prior to the pre-bid meeting.
- e. It may not be practicable to answer all questions at the pre-bid meeting.
- f. No questions regarding the bid will be entertained after the pre-bid meeting.
- g. Minutes of the meetings, including the text of the questions raised and the responses provided, together with any responses prepared after the meeting, will be posted on the website as specified in section 1.6.

2.2.4 Proposal Submission

- a. Two (2) copies of all the bid documents sealed in separate envelopes will need to be submitted.
- b. Each envelope should be super scribed on the left hand side top corner as “**Selection of a Consulting Agency for Integrated Financial and Human Resource Management System Project - Original Copy**” and “**Selection of a Consulting Agency for Integrated Financial and Human Resource Management System Project - Duplicate Copy**”.
- c. Both copies of the bids (Original and Duplicate) must consist of the following documents:
 - i. Pre-Qualification document with clear identification
 - ii. Technical Proposal with clear identification
 - iii. **Financial Proposal (sealed separately) super scribed as “Financial Proposal for Selection of a Consulting Agency for Integrated Financial and Human Resource Management System Project” on the envelope.**

Electronic copies of Pre-qualification and Technical Proposal shall also be submitted in CD-ROM and all documents shall be in PDF Format.

2.2.5 Bid Opening

- a. The bids that have been received within the specified deadline would be opened at the specified date and time as indicated in Section 1.5.
- b. Bids will be opened in the presence of bidder's representatives, who choose to attend;
- c. The bidder representatives who are present shall sign a register evidencing their attendance.
- d. The bidders names and the presence or absence of requisite bid security and such other details considered appropriate, will be announced at the time of bid opening.
- e. No bid shall be rejected at bid opening time, except for those that do not contain necessary bid security amount or which has a material deficiencies (e.g. Technical or Financial Bid Document is not provided).
- f. Bids received after the deadline (i.e. late bids) shall be returned unopened to the respective bidder.

2.2.6 Bid Clarifications & Presentations

- a. During evaluation of the bids, Client may, at its discretion, ask the bidder for clarification on their bid. Such clarifications are to be provided in writing and would need to be substantive. Non-substantive and non-responsiveness on the part of the bidder may lead to disqualification of bidder.
- b. Bidder may also be (optionally) called upon with prior notice to make presentations as per the time frame specified in Section 1.5, to support proposal evaluation. This is only to enumerate and seek clarifications on the submissions made by the bidder in their proposal. No new material or deviations from proposal would be entertained during this process.
- c. Information provided by bidder through clarifications and/or presentations shall be taken into account for proposal evaluation.

2.2.7 Confidentiality

Information relating to the examination, clarification and comparison of the bids and recommendations for the award of the project shall not be disclosed to bidders or any other persons not officially concerned with such process until the award to the successful bidder has been announced.

2.3 Negotiations

- a. The negotiation will be held with the best valued bidder (bid securing Highest Composite Bid Score as defined in Section 2.5) on both parts of the bid, i.e. the Financial and the Technical proposal.
- b. Negotiations on Technical Proposal will include discussion(s) of the work methodology, detailed work plan, staffing and any aspect that might be necessary to improve the Terms of Reference.
- c. The Client and selected bidder will then work out agreed final Terms of Reference, staffing, and work-plan indicating activities, staff, periods in the field and in the home office, staff-months, logistics, and reporting. The agreed work plan and final Terms of Reference will together form part of the contract.
- d. Special attention will be paid to optimizing the required outputs from the selected bidder and to clearly define the inputs required from the Client to ensure meet the objectives of the proposed engagement.
- e. Having selected the bidder on the basis of, among other things, evaluation of proposed key professional staff, the Client will require assurances that the experts will actually be available to carry out the work plan. No substitutions will be considered during negotiations, unless it is mutually agreed that such substitution is unavoidable to meet the objectives or the selection process is unreasonably delayed. If it is established that key staff were offered in the proposals without confirming their availability, the firm is liable for disqualification.
- f. The negotiations will conclude with a review of the draft form of the contract.
- g. If negotiations fail, the Client will invite the selected bidder that received the second highest score (second best valued bidder) to contract negotiations.

2.4 Award

- a. The contract will be awarded after successful negotiations.
- b. Prior to expiration of the period of bid validity, Client will notify the successful bidder in writing, that their proposal has been accepted.
- c. Client and successful bidder will formalize the Contract terms on the basis of the Draft that has been provided in Part4 of this document, this will also reflect the agreements reached during negotiations specified in Section 2.3, including the commencement date for the engagement.
- d. The successful bidder shall furnish Bank guarantee after which disbursement of advance monies would be made in accordance with contractual terms.
- e. After the contract is formalized with the successful bidder, the Client will promptly notify other bidders on the shortlist that they were unsuccessful and return their Security Deposit.
- f. Failure of the successful bidder to accept the correction of the errors as specified herein OR to sign the contract OR willful violation of the bid process shall constitute sufficient grounds for the annulment of the award and forfeiture of the bid security, in which event the Client may choose to award the work to another bidder or call for fresh bids.

2.5 Bid Evaluation

2.5.1 Preliminary Scrutiny

- a. This consists of two steps:
 - i. Assessment of the eligibility criteria will be done to determine whether the proposal submitted conforms to all mandatory criteria specified to merit further evaluation.
 - ii. Prior to the detailed evaluation, Client will determine the substantial responsiveness of each proposal. A substantially responsive bid is one, which conforms to all the terms and conditions of the bidding documents without material deviations. Client will not allow any corrections or re-submissions in case of nonconformities.
- b. Bids not conforming to such preliminary requirements will be prima facie rejected.
- c. However, nonconformity or irregularity in a bid, which does not constitute a material deviation, shall be waived, provided such waiver does not prejudice or affect the relative ranking of any bidder.

2.5.2 Evaluation of Technical Bid

- a. Criteria for evaluation of technical bids have been specified in Section 2.6 of this document.
- b. It may be observed that parameters used for evaluation of technical bids will *inter alia* be based on the nature and relevance of past experience, project approach, work plan and the professional/expert team deployed in relation to the requirements of this engagement.
- c. All the bidders who secure a Technical Score of 65% or more will be declared as technically qualified.
- d. The commercial bids of only the technically qualified bidders will be opened for further processing.

2.5.3 Evaluation of Financial Bid

- a. The Financial Bids of the technically qualified bidders will be opened on a the prescribed date in the presence of bidder representatives
- b. Financial Bids that are less than 50% of the average bid price will be disqualified [the average bid price is computed by adding all Financial Bid values of ALL the qualified bidders and dividing the same by the number of bidders].
- c. The bidder with lowest qualifying financial bid (L1) will be awarded 100% score.
- d. The financial value of the bid will be calculated as defined in section 5.7 of this document.
- e. Financial Scores for other than L1 bidders will be evaluated using the following formula:
Financial Score of a Bidder =
$$\{(\text{Financial Bid of L1} / \text{Financial Bid of the Bidder}) \times 100\}\%$$

(Adjusted to two decimal places)
- f. Only fixed price financial bids indicating total price for all the deliverables and services specified in this bid document will be considered.
- g. The bid price will include all taxes and levies and shall be in Indian Rupees.
- h. Errors & Rectification: Arithmetical errors will be rectified on the following basis: "If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected. If there is a discrepancy between words and figures, the amount in words will prevail".

2.5.4 Combined Evaluation of Technical & Financial Bids

- a. The technical and financial scores secured by each bidder will be added using weight age of 70% and 30% respectively to compute a Composite Bid Score.
- b. The bidder securing the highest Composite Bid Score will be adjudicated as the Best Value Bidder for award of the Project.
- c. In the event the bid composite bid scores are 'tied', the bidder securing the highest technical score will be adjudicated as the Best Value Bidder for award of the Project.

2.6 Scoring Pattern

Criteria	Basis	Marks
Experience Related to this Engagement	<p>Experience relevant to this engagement as listed below to be demonstrated in a maximum of three engagements that have either been completed or an ongoing project where deliverable or milestone has been successfully met relevant to the experience</p> <ol style="list-style-type: none"> Conceptualization of holistic, end-to-end service oriented solutions Business Process Re-engineering, including domain specific best practices Program/Project Monitoring/Management Requirements management Development of Solution Architectures Project costing, financial and legal structuring Review and monitoring Software engineering /solution development IT Infrastructure evaluation, system, network and security management Change Management, including training Managing data migrations and digitization Bid process management SLA structuring and monitoring Implementation of Helpdesk, issue/problem resolution mechanisms & change management Experience in evaluation of managed services and structuring the same 	30

	o. Business continuity planning p. Bid Process Management	31
Methodology & Work plan	a) Approach / Methodology proposed for this engagement b) Demonstration of understanding of the requirements with a very comprehensive project work break down structure along with timelines, assignment of key resources, dependencies and milestones	30
Team Structure & Resource Profiles	Team Structure and Key Consulting Resources having domain expertise to be deployed for this engagement	40

In preparing the Technical Proposal, bidders are expected to examine the documents comprising this RFP Document in detail. The proposal should cover all the aspects of the terms of reference (specified in section 3). Any bid not found responsive to the terms of reference shall be rejected. Material deficiencies in providing the information requested may also result in rejection of the Proposal.

- i. While preparing the Technical Proposal, bidders must give particular attention to the following:
 - a. The bidder shall not associate with individual Consultant(s) and / or other firms or entities in a joint venture relationship to outsource/sub-contract a part or whole of services desired of the bidder as a part of this assignment.
 - b. The key professional staff proposed should be permanent employees of the firm.
 - c. Alternative professional staff shall not be proposed, and only one curriculum vitae (CV) may be submitted for each position.
 - d. Except as specifically provided, **the Technical Proposal shall not include any information relating to the Financial bid.**
- ii. In preparing the Financial Proposal, Bidders are expected to take into account the requirements and conditions of the RFP document.
- iii. The Financial Proposal should be inclusive of all taxes, duties, fees, levies, and other charges imposed under the applicable local laws.
- iv. Bidders should express the price of their services in INR only.
- v. The proposals must remain valid for 180 days after the date of opening of the financial proposals. During this period, the bidder is expected to keep available the professional staff proposed for the assignment. The Client will make its best effort to complete negotiations within this period.

- vi. Earnest money deposit: The proposal must be accompanied by earnest money deposit of Rs. 5 Lakhs in the form of Demand Draft payable at Chandigarh branch of any nationalized bank and payable to 'Director, Treasuries and Accounts , Department of Finance, Government of Haryana,' without which the proposal will be rejected outright. Earnest money deposit will not be accepted in cash or any other manner. No interest is payable on the amount of E.M.D.
- vii. The Earnest money deposit will be refunded or returned (along with necessary endorsement for payment) to the bidders whose offers are not accepted by the Department of Finance within two months of the placing of final order to the successful bidder. However for the successful bidder, the Earnest money deposit so submitted will be refunded on submission of Bank guarantee against security deposit.

2.7 Submission, Receipt and Opening of Proposals

- 2.7.1 The Financial Proposal should only indicate prices **without any condition or qualification** whatsoever and should include all taxes, duties, fees, levies and other charges levied by Central & State, as may be applicable in relation to activities proposed to be carried out. Any **upward or downward** revision in taxes, duties, fees, levies and other charges levied by Central & State during the period of contract shall be to the client's account.
- 2.7.2 The original and all copies (including Soft Copies) of the Technical Proposal should be placed in one envelope and should be **marked as 'Pre-qualification & Technical Proposal for Selection of Consulting Agency for Integrated Financial and Human Resource Management System Project'** and the Financial Proposal (original and all copies including soft copies) in another envelope marked as **'Financial Proposal for Selection of a Consulting Agency for Integrated Financial and Human Resource Management System Project'**. Both these envelopes should be sealed separately and put in one envelope marked **'Selection of a Consulting Agency for Integrated Financial and Human Resource Management System Project'**. This outer envelope shall bear the submission address and other information indicated in the Data Sheet and clearly marked, **"Do not open, except in presence of the Evaluation Committee."**
- i. After the deadline for submission of proposals, the Technical Proposal shall be opened immediately by the evaluation committee.
 - ii. From the time the bids are opened to the time the contract is awarded, if any Bidders wish to contact the Client on any matter related to its proposal, it should do so in writing at the address of the client's office indicated in Section 1.6 above. Any effort by the Bidder to influence the Client in the Client's proposal evaluation, proposal comparison or contract award decisions may result in the rejection of the proposal.

Part 3: Terms of Reference

3.1 Objectives of the Engagement

- i. Numerous independent initiatives have been going on related to the development and implementation of back office software, still no serious attempt has been made to look at the cross-departmental efficiency improvement by recognizing the interdependencies of the back office functions. Consequently, there have been islands of information and heterogeneous systems across various departments.
- ii. The key objective behind engaging a Consultant is to take a fresh look at the macro level orchestration of back office functions that can result in the improvement of efficiencies at the State level. Both Finance and People Management functions have been high impact areas and percolates across all Departments without exception. So these have lent themselves as ideal candidates for the determination of a suitable back office framework. The emergence of a portfolio of standards-based, back office software applications besides common platforms that can enable such functional cohesiveness will be a natural consequence of this exercise.
- iii. Any such initiative requiring a statewide conformance will take a long time and a mix of approaches for realizing the benefits. While individual Departments can have their individual plans, certain minimum measures will also need to be adopted during the interim period until such time large scale conformity is achieved. So it will be essential to identify select Pilots that can be prescribed for those Departments that still use paper and others who use a non-standard software application.
- iv. It is to be ensured that the migration strategies for transition from manual system as well as any existing software applications to the proposed standards is clearly defined and smooth enough so as not to impact normal operations.
- v. Accordingly, the scope of the Consultant's work has been segregated into distinct phases based on the evolution for the implementation of the **IFMS and HRMS** Project as listed in this section. For each of the phases, besides listing of all key tasks and deliverables, phase objectives and exit criteria have also been specified. This is expected to provide clarity on the consultant's responsibilities, work planning and determination of the approach that the consultant may consider most appropriate in meeting with the desired objectives.

3.2 Scope of Work

It is reiterated that the Bidder familiarize themselves with the basic concept that has been described in the Appendix no. 5.1 (Additional Information on the Project) to this document so as to put in perspective various requirements described in this section. The activities envisaged to be carried out in various phases by the proposed Consulting agency are as follows:

3.2.1 Phase 1: Solution Approach

Phase Objective(s):

This phase involves a study of both micro and macro level processes and the ramifications necessary to meet efficiency improvements. The solution architecture for the proposed method of operation with a clear roadmap involving all tasks necessary for Pilot and state-wide rollout including cost estimates and timelines should be defined in this phase.

Key Tasks:

- i. Visioning: It will be essential to draw up a vision by involving all key stakeholders. Identification of key departments in consultation with project sponsors and chalking out their level of involvement would be a pre-requisite at this stage. Current functional constraints in achieving efficiencies, similar initiatives in other States and best practices from industry should be enumerated to the stakeholder group with active facilitation for drawing up the vision statement.
- ii. Establishment of Scope & Strategy: Consultant is expected to draw up a strategy for deployment of the solution. The consultant is required to evaluate the merits and risks of a pilot deployment followed by statewide roll-out after consolidation of pilot learning. The pilot should cover the complete functionalities of the Finance Department including treasuries and select user departments (may be 2-3 departments) for Finance and HR functions and interfaces. All related sub-modules such as budgeting and payroll should be included as may be decided by the Project sponsors. The pilot project schedules with all key tasks and dependencies, factoring in realistic time requirements based on the effort that needs to be expended, roles and responsibilities of various user departments should be defined by the consultant.
- iii. Analysis of Business Processes: Given the specific nature of this engagement, it would be necessary to study the business process both at a State level and at a Departmental level and their interactions. Some key departments shall be identified for study of

Financial and HR processes. Improvements resulting from introduction of ICT should be duly recognized to draw up a set of new processes. The draft operational procedure would need to be defined as a result of this exercise. This exercise should span the entire scope of operations, even if phased/partial implementation is envisaged.

The new work approach should clearly identify the role and involvement of various departments needed for effective execution of work at the back office. Any changes resulting from the revision of existing processes and introduction of new processes should be clearly articulated and a formal concurrence obtained from the concerned Department(s).

- iv. Assessment of Current Status of IT: Critical evaluation of existing applications and IT infrastructure and the gaps in supporting the future vision should be assessed. Given this requirement, it would be necessary to involve Departments where such applications are in reasonable use. In case multiple applications are in use, a comprehensive criteria for qualifying such applications would need to be defined along with a functional gap assessment so that the same could be considered for re-engineering select software application(s), especially where investments have already been made by the state in getting these developed through NIC or a third party vendor.
- v. Study of Comparable other state solutions: The motive is here to bring in the learning's from other states which have already undertaken such initiatives. This may include visit to those states (may be two states) to study their approach, key learning/success factors etc.
- vi. Electronic Forms & Data Standards: Consistent with the proposed method of operation, all forms should be changed and optimized for electronic use, where applicable. In addition a strategy for data interchange across departments would need to be evolved, so that there is no need for any repeated manual data entry. This would signify that the data formats and standards for interchange are defined.
- vii. Enabling Provisions: The HR and Civil Accounting Procedures, including any other relevant rules and/or circulars/orders should be examined. Specific recommendations to be made by the consultant to ensure that the new process could be adopted without any problems. The same to be planned and initiated within the pilot / project deadlines.

- viii. Formulation of Requirements: The department will provide the base set of process and high level requirements. Based on the proposed set of processes and high level requirements, a comprehensive set of functional and non-functional requirements should be documented. Such requirements should be holistic, end-to-end and cover macro and micro level functions including MIS, data archival and analysis that would be necessary both at operational level and policy decisions.
- ix. Solution Architecture: Based on the revised process structure, consultant should create an open-ended architecture for back office functions that can be adopted uniformly across all the Departments in the State. The architecture, while addressing the needs of Finance and HR functions in totality, should allow for easy evolution to allow interfacing of other functions, since both these modules generally impact all other areas. During Solution architecting feasibility of usage of ERP or other off the shelf Products as a whole or as base shall also be undertaken. It is reiterated that the solution architecture should not be biased towards any technology/platform. It is very much possible that some of the user departments are using an ERP or a third party solution for performing some of the activities related with Finance or HR. The proposed architecture shall have provision of integration of such systems to the proposed IFMS & HRMS. Examination and adoption of some best practices to the extent possible is also envisaged to be part of this sub-phase. Currently, Cash based accounting is followed within the government, however it is possible that the government may move to accrual based accounting in due course. During this phase, impact of such transition is to be evaluated. The solution proposed shall have provisions to transit from cash based to accrual based accounting. The consulting agency shall strategize for such transition. It is very much possible that the transition may not happen during the proposed project timelines, however the solution proposed shall be enabled for such transition in future.
- x. Data Migration Plan and Strategy: There needs to be critical mass of data to enable operational effectiveness of the new solution. This may involve transfer of data both from current system that are in electronic form as well as paper documents. Additional effort may be required to map existing data items to possible new codifications schemes/structures that could be introduced as part of the new processes. The guidelines related to the migration of data, estimation of data volumes; formats/standards to be adopted for data elements (including digitization of documents, if applicable), data/document retention period and approach to be adopted in respect of data migration need be laid down by the consultant. Specifically,

consultant would need to provide mechanisms on co-existence of paper and electronic records including digital authentication mechanisms where necessary (depending on the approach that has been proposed).

- xi. Mode of Operation: Since the proposed functionality will be used by multiple departments across the State, alternative methods of deployment, if feasible, should be analyzed so as to determine the most optimal method of operation. Identification of departments for Pilot roll-out of Finance and HR functions shall be made. These departments may or may not be the same as the departments taken up for the study purpose. However, it is recommended that the departments taken as part of study shall be included as part of Pilot roll-out. There could be multiple approaches for deployment, like a centralized IFMS and HRMS deployment which are used by all finance and other administrative departments. Another approach could be that functionalities related to administrative department like DDO and HRMS are developed as separate deployable modules which are deployed in departmental systems supported and managed by SI/third party. The consulting agency is required to evaluate the various deployment approaches and recommend the best suited one for the state. The finalization of the mode of operations would determine on aspects such as ease of maintenance and further expansion of functionality, managing changes and the overall costs of ownership arising out of such factors. Since some of the self service functions will not be accessible to those without knowledge or access to the digital infrastructure, suitable arrangements will need to be proposed by the Consultant to facilitate inclusion. Security issues and access rights should be specifically included as both HR and Finance are very critical functions. Special care should be taken not to allow any unauthorized usage.
- xii. Estimation of Project Cost: An estimate of the pilot project cost and rollout cost and the model for cost allocation to various Departments should be computed by the Consultant. These costs should be categorized into capital and operational expenditure over a five year operations period based on approximate market values. Cost items should be clearly segregated into cost of common components and Department specific items and include all support costs such as data migration, costs associated with certification, etc. Cash flow projections based on the estimated cost shall form part of this exercise.

- xiii. Preparation of DPR: Consolidation of inputs from above activities and preparation of DPR. The components of the DPR Documents should be consistent with the outcomes of the Mission mode Project “Computerization of State Treasuries” (available at http://finmin.nic.in/the_ministry/dept_expenditure/plan_finance/TreasuryComp_NeG_P.pdf). The consultant should facilitate the Department in obtaining Central Assistance in accordance with the *Guidelines for operational Model for Implementation of State MMPs issued by the Department of Information Technology, Government of India* (available at <http://mit.gov.in/content/template-guidelines>).

Deliverables:

- a) Vision Statement and Process/procedures Document(s)
- b) Requirements Document
- c) Solution Architecture & Operational Model
- d) Software Gap Document (for existing software, if applicable)
- e) A consolidated Document consisting all other significant items
- f) Pilot Project & Costing
- g) Detailed Project Report for Central Assistance under approved State MMPs

Note: (i) All of the above documents should be in modular form so that they can be easily reused at a future time, if needed, without much additional effort.

(ii) The Process Document shall be written in a manner so that it can serve as a reference material for routine operational use by various user departments.

Exit Criteria:

Formally agreed (signed off by the Department) set of revised / re-engineered processes, requirements and solution architecture including the modalities for deployment.

Suggested Timeframe:

About 16 weeks. Some of the tasks in this phase that does not adversely impact the realization of the phase objectives can be carried forward to the next phase.

3.2.2 Phase 2: Selection of Implementing Agency

41

Phase Objective(s):

This phase would involve selection of IA as per the decisions made in Phase 1 of the project. During this phase the IT Team of various participating Departments (i.e. PeMT) will be established and the Consultant will need to plan and handhold in this process.

Since the approach for the solution deployment will be decided only in Phase 1 depending on the merit of other factors, this phase could contain wide ranging requirements. The organizational scope is a major factor for the scale of the Pilot, though timeframe wise one full cycle of operation is ideal.

At one end of the spectrum it would involve a thin slice of application functionality that cuts across the Finance and HR functions, while at the other end it may involve full scale development (including re-engineering) of a portfolio of standards based applications that is fit for state wide deployment. However, from a timeline perspective, some middle ground is likely to emerge. It is also likely that commercial ERP software or other off the shelf products be proposed by the bidders as the base over which the proposed solution will be developed. The consulting agency is expected to advise the department on various approaches with its pros and cons. While the objective itself is fairly clear for this phase, the task mix could vary depending on the arguments provided in the above paragraphs. For the purposes of planning, the Consultant would need to assume that all of the tasks would be necessary and make adjustments depending on the actual plans.

Key Tasks:

- i. Selection and scoring criteria: Determination of qualification criteria, method of selection and scoring patterns for the prospective project implementation partner.
- ii. Preparation of Contract: A draft contract agreement for the prospective project implementation partner should be prepared by the consultant and the same is to be vetted with the Department and with the Legal Department of the State Government, if necessary. This draft contract will form part of the RFP Document.
- iii. Preparation of RFP Document: Consolidation of inputs from Phase 1 and Preparation of RFP Documents. The components of the RFP Documents should be consistent with the outcomes of Phase 1. Consultant should facilitate the Department in obtaining necessary approvals to initiate the Bid process and engage a project implementation partner.

- iv. Bid Management Support: Facilitation / support for release of tender, pre-bid meeting, proposal evaluation and finalization of implementation partner as part of the bid management. Consultant should work in tandem with the Department and the various committees that have been set up for this purpose.
- v. Contracting: Facilitation for contract finalization with the selected implementation partner.

Setting up IT Cells (PeMT): The Department will need to establish and strengthen their internal IT Capabilities. This will also involve, inter alia, the establishment of the PeMT in each of the participating Departments. Necessary handholding planning and engagement of the PeMT should be provided by the consultant.

- vi. Upon completion of the Pilot, the lessons learnt should be consolidated and an approach for a statewide rollout will need to be proposed by the Consultant.

Deliverables:

- a) Draft Contract
- b) RFP Document

Note: The RFP will need to include only the highlights of the new processes; not detailed descriptions / process-flows.

Exit Criteria:

Selection of the Implementation Partner and Formalization of the contract.

Suggested Timeframe:

12-16 weeks. While some of the non-critical tasks from the previous phase may be carried out during this phase, there should not be any spill over from this phase to the subsequent phase(s).

3.3.3 Phase 3: Solution Development

43

Phase Objective(s):

This phase would focus on the construction of the solution by the project implementation partner and getting the system in production-ready state. Oversight of all project lifecycle tasks including tasks such as testing the application & its certification, data migration and IT infrastructure/facilities readiness would be integral to this phase. The Consultant should provide continued assistance in ramping up of the PeMT during this phase and handhold in productive engagement of the PeMT in all project tasks as planned. Further, Consultant should be in a position to provide necessary technical leadership to the PeMT where such a joint exercise is involved.

Key Tasks:

- i. Project Kickoff: Consultant should enable quick and effective Bootstrapping of the project. Knowledge transfer, including proactive familiarization / orientation should be provided by the consultant to the project implementation partner so that the expectations and outcomes that have been articulated for this project are not diluted.

Participation of SRS Review along with PeMT: Ensuring the completeness and comprehensiveness of the SRS would be an essential area of support to be provided by the consultant in the finalization of the SRS. It would be necessary that the consultant works cohesively with the Department to achieve this goal and ensure that all requirements are captured so that there is no scope for any changes until such time the software solution is fully rolled out.

- ii. Perform Supporting Technical Tasks along with PeMT: Consultant shall carry out the following technical tasks as part of its service obligations:-
 - a. Participation in Design Reviews, Data migration plans, IT Infrastructure plans, User Training plans, etc., and advising the department / PeMT, from the perspective of adequacy, possible trade-offs and suggested improvements;
 - b. Assess the software engineering and the IT operational management procedures adopted by implementation partner and advise the department / PeMT whether they are in alignment with the project requirements and generally accepted industry practices.
- iii. Governance Structure, User Groups and Champions: Consultant shall help the Department to set up project governance structures that can have oversight on project administration and steer the project to meet with its stated objectives through timely

interventions and decisions. Consultant shall provide the needed technical support to the various committees in this regard. In addition, consultant shall also help with the setting up of user groups within the Department and identification of internal champions who can be catalysts in rapid internalization of the ICT operations.

- iv. Operational Re-alignment: Facilitate internal operational re-alignments within Department to use the new IT enabled solution. Should work closely with the Department in structuring the job responsibilities at various divisions/offices at an individual level, including establishment of average productivity levels/work targets and means to effectively supervise carrying out routine tasks.
- v. Testing and Certification: This will involve three distinct tasks:-
 - a) The Consulting agency shall monitor/audit and ensure that the Implementing Agency performs unit, integration and system testing as part of the Software Development Life Cycle. It should also include functional, performance, usability and security testing. This activity may include defining the metrics related with the testing to be performed by the Implementing agency. The Consulting agency may also define the criteria for the readiness of third party testing of the solution before the Pilot roll-out.
 - b) Facilitate preparation of a comprehensive test plan and test cases covering all business scenarios/conditions and testing the software application jointly with the designated user groups from the Department facilitated by the Implementation Partner so that the feasibility of deploying the solution without encountering showstopper or serious errors in the software could be ensured. The testing shall include functional, usability, security and performance as per the defined criteria.
 - c) The third task would involve a two stage certification that is carried out. The first stage of certification would need to cover the essential elements required for the Pilot and/or the initial site(s) to operate the ICT solution. So the scope of certification, besides the functional aspects of the software solution, should cover other readiness requirements such as the IT Infrastructure, back office IT facilities, data and such other operational support needs and as may be required. The pilot launch will be post such certification. The second stage of certification will be carried after the after state-wide rollout (to be conducted in

next phase) which will commence only after incorporating the learning of pilot launch.

Such certification could be carried out either by the consultant himself with their own staff who are suitably qualified & accredited for this purpose, OR, through an independent certification agency that possesses requisite qualifications (e.g. STQC). Such an independent agency, if any, should be chosen by the CONSULTANT in consultation with the Department. Consultant should define the scope and approach for both stages of this certification, ensure its compliance and also meet with all costs and commercial requirements (whether it is done with internal resources or with the help of a qualified external agency , the costs of the same be made part of the Financial Proposal).

- vi. Rollout Plan: Review the rollout plan including launching of Pilots as may be deemed appropriate.

Deliverables:

- a) Various facilitation tasks as described for this phase.
- b) Organization structure, capabilities matrix, roles and responsibilities, staffing plan and ramp-up plan for PeMT;
- c) Services support for successful development and deployment of the eGovernance solution (in a planned manner, jointly with PeMT);
- d) Testing and certification for Pilot roll-out;

Exit Criteria:

- a) Test results documented and zero show stopper or serious errors in software as per test plan scenarios
- b) Certified Solution (production ready state for operation of the Pilot and/or initial site(s)) demonstrated through a Certificate from the selected certification agency. The certified solution could be a suite of software solutions bespoke and/or off the shelf.

Suggested Timeframe:

This will depend upon the timelines proposed by the Consultant and the Project Implementation partner. Expectation by the Department is that solution for pilot phase

should be ready for roll-out in a 15 months period. Testing and certification timelines to be planned and included with reasonable number of iterations (with a minimum of two rounds) as may be considered necessary for such systems.

3.3.4 Phase 4: Solution implementation, Stabilization & Steady State Operations

Phase Objective(s):

This phase would focus on the rollout of the certified solution and establishment of a framework for reliable and accurate monitoring for adherence to performance and other agreed project delivery guidelines. The roll-out is planned to be in two phases. The first phase which is called here is the pilot phase will include all functionalities of Finance departments and functionalities of 2-3 selected administrative departments for Finance and Human resource aspects. As second phase or phase 2 the departmental functionalities related with finance and human resource will be rolled out for other departments. The PeMT is expected to become productive by this time. While Consultant is expected to continue association on a steady state basis it would be with a much reduced team size.

Key Tasks:

- i. Implementation and Pilot Rollout: Facilitate the implementation and pilot rollout activities as per the plan defined during phase 3.3.1 including the data migration task. As envisaged now the pilot should cover all the functions of the Finance Department including Treasuries and selected (2-3) user departments for Finance and HR functions. The first stage of certification should be carried as part of independent agency to verify the conformance to functionalities related with pilot roll-out.
- ii. Incorporation of Pilot Learning and State wide rollout: The consulting agency shall consolidate the learning's of the pilot phase and propose the course correction to be performed by the Implementing agency. It shall also ensure that such corrections are made before the state-wide roll-out. The second stage of the certification should be carried out with the independent agency (as mentioned earlier) to verify conformance of the solution to requirements and also successful completion of rollout at all sites. All aspects of the solution to be included in the second and final stage of certification.

- iii. Steady State Operations: It is essential to achieve steady state operation within an optimal timeframe and also facilitate the establishment of Help Desk that would be needed to address various technical problems encountered by the Departmental users as well as external stakeholders.
- iv. Establish Measurement Framework: Consultant shall arrive at a complete understanding with the Implementation Partner on the interpretation and approach to the measurement of the SLA at the initial stage itself. Changes or adjustments to the SLAs, threshold levels or measurement thereof, shall be avoided as far as possible. However, should such a situation be necessitated, the same shall be determined with due justification and prior concurrence from the Department.
- v. Monitor Performance: Consultant shall ensure measurement of the SLAs as per the agreed model and shall, at all times, ensure the reliability and accuracy of such measurements. Consultant shall ensure that the measurements are formally recorded in support of the award of incentives and/ or penalties to the Implementation Partner.
- vi. Recommend Payments: Based on these measurements and conclusions drawn thereon, the Consultant shall recommend to the Department the payments to be made to the Implementation Partner.
- vii. Corrective Measures: In case the performance parameters are not found to be conforming to the required levels, the Consultant shall proactively inform the Implementation Partner and suggest appropriate corrective measures and ensure that these are implemented.
- viii. Escalation: Escalate project issues to the Implementation Partner and/or the Department to monitor resolution thereof in a timely and conducive manner.
- ix. Change Management: Facilitate change management processes limited to items covered within the scope of the solution including validation to changes that may be implemented. In addition, oversee the version control of software and its controlled deployment in the production environment.

- x. Oversight: Monitor Implementation partner's engagement/ agreement/ contract with other third parties as may be reasonably required to meet with Performance obligations and SLA requirements.
- xi. Asset Control: Facilitate transfer of IT and software assets to the Department as may be specified in the agreement with the Implementation Partner.
- xii. Audits, Assessments and Surveys: Assist in annual audits and user surveys as may be reasonably aligned with the objectives of the Service Delivery needs of the Department. Also ensure that periodic assessments are done to ensure compliance to standards and guidelines, Security Requirements, Capacity Management and such other planned tasks.
- xiii. Exception Management: Assist the Department to manage exceptional and contingency situations.

Deliverables:

- (i) Provide Project Monitoring Functions consistent with the requirements;
- (ii) Periodic Reports on routine / exceptional matters and Review Meetings.

Exit Criteria:

Implementation/Rollout Completion Certificate (for all sites) along with migrated data (if applicable) by the Certification agency.

Suggested Timeframe:

The first stage certification (pilot phase) could be carried out concurrently with rollout. The certification for pilot run is expected to be completed within 12 weeks. A pilot run of 3 months post pilot certification is proposed. State wide roll-out after incorporating the learning's of the pilot phase is expected to be completed within a period of 6-8 months post pilot certification. The second stage of certification is expected to be completed within 12 to 16 weeks of the state-wide system operation.

Support for Project Monitoring of the consultant will commence from the date of final (second stage) certification and will be for a period of three years from this date. Services can be optionally extended thereafter by the Department for a period of two years, on a year to year basis, on the basis of the terms that have been agreed upon.

3.3.5 Environmental Factors

49

a) Currently Operational Software

The following software applications have been implemented in the Department & its field locations:-

i. The Online Treasury Information system (OTIS):

The Online Treasury Information System was developed using client-server technology. The OTIS is deployed at each treasury and sub-treasury as a standalone application and is accessed locally over LAN. Data exchange with treasury bank and other system is through file transfer. The system covers the operations related with payments and receipts. The functionalities related with payment management are used by the treasury. However, the receipt procedures are still done manually. The major objective of OTIS was to enable:

- Treasury to exercise desired control over financial expenditure to keep it within the budget allocations;
- Make flow of information up to date, authentic and consistent leaving no scope for excess or unauthorized drawls, diversion of funds, wrong bookings, etc.;
- Electronic data transfer (through file transfer) between Treasury & Sub-Treasuries;
- Electronic data transfer (through file transfer) between treasuries & Directorate of Treasuries & Accounts;
- Data compilations at Sub-Treasuries/Treasury/Directorate;
- On-line connectivity with banks;
- Off-line linkage with AG-office;
- On-line monitoring of budget at sub-treasury/treasury level;
- To maintain/control stock of Stamp papers and issue thereof (not yet implemented)

A software OTISB has been provided to banks by NIC for capturing and compiling the Challan data in banks. Data of Challan is entered by the bank clerk and verified by the supervisor. A scroll is generated daily at the day end and is sent to treasury. A digital file is also generated and is sent to the treasury through dial-up connection or email. Mismatches in the electronic scroll generated from OTISB and physical challans is observed quite frequently leading to additional effort at Treasury to resolve the mismatch during reconciliation.

Recently, Electronic Payment System (EPS) has been introduced in treasuries and pilot implementation of OTIS has been started in Panchkula and Chandigarh district treasury. Under this system, all the payees have been assigned a unique code and their bank account details are stored in the OTIS database. A pay order is issued for all the bills of a DDO in the same major head. A digital file is also sent by mail to the bank three times or more a day to enable them to make payment electronically in the accounts of payees.

Requirement: The existing systems in use are to be studied and strategy for integrating these into overall IFMS architecture to be formulated in consultation with NIC.

ii. **eKosh 21 - Online Budget Monitoring System:**

This system has been put in use from April 1st, 2010. It is a web based system which has following functionality:

- Department level Budget allocation, revision and re-appropriation for the finance department;
- The system is capable of handling state sponsored plan budget, centrally sponsored plan budget and non-plan budget;
- Transfer of budget to other departments;
- Allocation, revision and re-appropriation of budget by budget controlling authority (BCA) for BCO and/or DDO level;
- Allocation, revision and re-appropriation of Budget by BCO for BCO DDO level;
- View of Details of budget allocated under various schemes for DDO;
- Issue of LOC by finance department and administrative departments;
- Allocation of LOC to BCOSs and DDOs with a facility to surrender, revise as well as revalidate the LOC;
- Export to OTIS facility for incorporation of Budget allocation data into OTIS by Treasury/Sub-treasury;
- Facility to upload expenditure and receipt data from treasuries to the website;
- Comprehensive MIS Reports related to budget, LOC and expenditure thereof is available at various levels;
- User management for BCO/DDO role by BCA;

It is a web based system and is available at <http://hrtreasuries.gov.in> and can be accessed by the users over Internet. This system is being used by Finance department, FCs of Public Works department, 85 HODs and 107 TOs/ATOs, 590 BCOs and 6600 DDOs approximately.

Requirement: The existing systems in use are to be studied and strategy for integrating these into overall IFMS architecture to be formulated in consultation with NIC.

iii. **Cyber Treasury**

The Cyber treasury project was launched on pilot basis for collection of commercial tax for district treasury of Ambala. Subsequently, it was rolled out for all the treasuries. The main objective was to enable the dealers to deposit their taxes through electronic means. The Cyber treasury was integrated with the Internet Banking interface of the treasury bank for each treasury. This system is available at <http://hrtreasuries.gov.in>.

Based on the learning, DTA has now proposed to go ahead with a revised Cyber treasury which now includes a revised receipt process for online and offline challans. The proposed system will have multiple banks interface and all the receipts are proposed to be managed through single treasury designated for the purpose.

Requirement: The existing systems in use are to be studied and strategy for integrating these into overall IFMS architecture to be formulated in consultation with NIC.

iv. **eSalary**

The eSalary system is under development by NIC and the new system is proposed to be launched soon.

Requirement: The existing systems in use are to be studied and strategy for integrating these into overall IFMS architecture to be formulated in consultation with NIC.

v. **Cheque system:**

The cheque system has been implemented in Chandigarh treasury. It supplements the EPS already operational in the treasury and is being planned to be implemented in six other treasuries in the current financial year.

Requirement: The proposed systems is to be studied and strategy for integrating these into overall IFMS architecture to be formulated in consultation with NIC.

vi. **eStamping**

The eStamping system is under development and is proposed to be launched in another six months.

Requirement: The proposed system is to studied and strategy for integrating these into overall IFMS architecture to be formulated in consultation with NIC.

vii. ePension

A similar system like eSalary is proposed to be implemented in next financial year. 52

Requirement: The proposed systems in use are to be studied and strategy for integrating these into overall IFMS & HRMS architecture to be formulated in consultation with NIC.

viii. eBilling

Online bill submission by the DDOs is proposed to be implemented under this project.

Requirement:

Requirement: The proposed systems in use are to be studied and strategy for integrating these into overall IFMS & HRMS architecture to be formulated in consultation with NIC

ix. Personal Information System

The PIS system is a Web Based system which has been implemented in few departments and at civil secretariat. Information from the Service Book of the Employees has been captured into the system. The system has been developed by NIC.

Requirement: The existing systems in use are to be studied and strategy for integrating these into overall HRMS architecture to be formulated in consultation with NIC.

c) State NIC and HARTRON

The State NIC Wing and HARTRON (the State owned agency) have been associated in the past to facilitate the IT initiatives of the Department.

Requirement: The support from these agencies in the future should be structured in consultation with the Department.

d) State IT Infrastructure Facilities

NEGP IT infrastructure backbone rests on four main components of State Data Center (SDC), State Wide Area Network (SWAN), Common Service Centre (CSC) and State Service Delivery Gateway (SSDG) so as to improve its efficiency and effectiveness for e-Governance Programs. All these programs have been initiated and are in various states of progress and/or operation.

Requirement: Examine the progress of these initiatives and structure the proposed solution to leverage the investments that have been made in the core IT infrastructure.

3.4 Key Competencies

53

3.4.1 Expertise Requirements:

The evaluation of the key positions will be based on the qualifications and experience of the positions listed below (indicative, but not comprehensive list of responsibilities for each, is shown in brackets):

- i. Program/Project Management Expert (planning, coordination of project tasks, liaison with client and other agencies, project strategy, team management, risk management, etc.)
- ii. Subject Matter/Domain Expert (to ensure that Finance (including Treasury and Accounting) and HR (government framework) as key Expertise is available to the project for the vital tasks of requirements gathering and process re-engineering besides facilitation of other domain intensive tasks that may come up throughout the project duration)
- iii. Process Expert (to identify opportunities of improvement in processes, gap analysis, reengineer them and design streamlined processes, eforms, workflows, metrics, data migration, etc.)
- iv. Requirements Expert (to ensure that the complete and comprehensive requirements are collected and follow-through their implementation in the target solution)
- v. Architecture/Design/Technology Expert(s) (to ensure successful implementation of technology best practices, Assessment of current applications and platforms, assess reuse of other similar systems and their strategies, Architecture & Design related tasks, Security, Integration, FPA Analysis, Software Life Cycle assessments, technical audits and certification, project costing, etc.)
- vi. Organization Development Specialist/Change Management /IT Training expert (for Organizational Design, Change Management Interventions, Capacity Building, Human Resources Policies and Training)
- vii. Project Appraisal/Finance/Legal Expert (for selection of an Implementation Partner and development of financial models to ensuring project sustainability, structuring commercial and legal matters related to selection of bidder, bid process management, facilitating the enabling legal changes that may be required in the various Acts related to project implementation, etc.)
- viii. IT Operations and Performance (to plan and assess IT Infrastructure and facilities requirements, help desk & problem resolution, define performance management structure and monitoring mechanism so as to enable compliance to desired level of delivery standards)

3.4.2 Qualification and Experience of Staff proposed for the engagement:

54

- i. The Consultant shall provide a team of competent resources for this assignment. Such individuals should possess suitable educational qualifications, length of industry experience and a demonstrable track record in their area of specialization.
- ii. These resources should be categorized at the level of Principal Consultant, Senior Consultant and Consultant based on their background. These levels should be comparable to generally accepted norms in the industry, where relevant experience for Principal consultants is above 15 years, for senior consultants about 10 to 12 years and for Consultants is above 5 years. The team composition proposed by the Consultant should have a balanced mix of Principal Consultants, Senior Consultants and Consultants. The skill-mix of the team must be in tune with the requirements of the project.
- iii. The resource assignments to the tasks of the engagement should be done on the basis of their experience level and area of specialization. Selection of the team should be consistent with section 3.4 with regard to the key competencies and with regard to the scope of work described in section 3.3.
- iv. Allocation of the resources should be made on a named basis and should not conflict with any other concurrent task assignments either within the project or in any other engagement with another third party. Finalization of the key team members will be reviewed prior to finalization of the contract. It is expected that committed resources are assigned for Program/Project management and Subject matter/ Domain expert for all phases as defined above.
- v. The above resources shall need to be planned phase-wise and continuity would be needed until the State wide roll out of the Project has been completed and project is stabilized.
- vi. Apart from the key positions above, the bidders would be required to engage a variety of other support personnel, as they may deem appropriate, to assist in other tasks for the successful completion of their obligations as part of this initiative. Such resources do not need to be listed in the bid response.

3.5 Consultant Monitoring Arrangements

- 3.5.1 **Professionalism:** Consultant shall deliver the Services in (a) a professional manner commensurate with accepted industry practices and technical standards which are generally in effect for engagements and (b) in a manner that is consistent and aligned with the objectives of the proposed project.
- 3.5.2 **Team Organization:** Consultant shall establish a formal team structure and staff with competent resources to provide effective service delivery. The organization structure will need to be tuned to meet the Phase specific objectives. The staffing levels of Consultant shall be dependent upon actual work requirements and the same shall be periodically reviewed and decided based on the requirements of the project, in consultation with the Department.
- 3.5.3 **Location:** The team so established will be based at Chandigarh area (including Punchkula & Mohali) and should be capable of supporting State wide needs, as may be necessary from time to time (either with regional representatives and/or travel of team members from Chandigarh). Consultant should meet all travel, stay and related costs arising out of this requirement.
- 3.5.4 **Team Lead:** Consultant will appoint a senior person who will serve as the **Team Lead** of the consulting team and be the single point of contact to a **Project Coordinator** appointed by the Finance Department (i.e. Client). These two will interface on all routine project and service delivery matters. All personnel from the Consultant shall report to the Team Lead in matters concerning this engagement.
- 3.5.5 **Work Planning:** Consultant shall plan the work with clear resource allocation. Formal plans would need to be submitted to the Client Coordinator every fortnight and they should contain detailed task level items at least for a four to six week period. Dependencies on the Department and other third parties would need to be clearly highlighted in the Plan and brought to the notice of the Client Coordinator.
- 3.5.6 **Deliverables:** Consultant will provide all agreed deliverables to the Client in a timely manner and in accordance with generally accepted quality levels for such deliverables. The work done and the deliverables of the Consultant will be monitored by a Review Committee, under the Chairmanship of the Financial Commissioner and Principal Secretary Department of Finance, Government of Haryana.

- 3.5.7 **Acceptance of Deliverables:** Feedback on deliverables submitted will be provided usually within four (4) weeks of submission of the deliverable to the Client or a mutually agreed time frame. Any defects and comments on the deliverables should be made good by the consultant within a reasonable agreed period. The engagement schedule does not permit providing more than one chance to make good such defects and inconsistencies.
- 3.5.8 **Reporting & Reviews:** Consultant should evolve a structure and periodicity for reporting in consultation with the Department. As a minimum fortnightly reports would need to be submitted by the consultant. This will be followed up with face to face reviews to assess consultant's conformance to contractual obligations and the quality of services.
- 3.5.9 **Continuity:** To ensure knowledge continuity, no changes to key personnel of Consultant shall be permitted until such time the concept is frozen and the implementation has been completed. Appointments and changes to key Consultant personnel (based on genuine reasons) shall be done with the prior concurrence of the Department. Further, this requirement would imply and mean that consultant would be obligated to provide the named resources as mentioned in the proposal. However, in case of unreasonable delays beyond the proposal validity period, substitution of a resource with equivalent or better caliber would be considered by the Department.
- IMPORTANT:** For requirements related to continuity of consultant personnel in this engagement, consultant agrees to ensure that at least two or three named key resources (as per the requirements in the resource plan) are dedicated to support this project from the date of commencement of this engagement until such time the solution is stabilized and steady state operation is achieved. This implies that consultant should select such individuals with requisite knowledge and skill who could support the projects during this extended period. Should an alternative team for monitoring be considered necessary during steady state operations described in Phase 4, transition should be meticulously planned in concurrence with the department. Replacements should have commensurate qualifications and experience with the work requirements and an overlap between the outgoing and incoming personnel should be planned for 6 to 8 weeks as part of the transition process.
- 3.5.10 **Support:** Consultant should provide documentation and other service support as may be needed at all times by the Department in line with the spirit of this engagement.

- 3.5.11 **Escalation:** Consultant should establish an escalation mechanism in concurrence with the Department that is harmonized with the project governance structure. The outstanding issues would need to be promptly escalated for prompt resolution.
- 3.5.12 **Project Improvement:** Maintain such project related data that will enable effective monitoring and analysis, including archival of historic data. Recommend improvements to the project and service quality based on analysis of data that has been gathered.

3.6 Project Timelines

- 3.6.1 It may be observed that an “Expected Timeframe” is associated with each of the phases of the eGovernance project evolution. The Department has provided this as an indicative measure based on past experience and firmly believes that this can be achieved. This timeline also includes the time that would be necessary for internal reviews and approvals that are expected to arise as part of the normal course of the consultants work. The Department would strive to meet with the timeline plans so that the blueprint could be drawn up and Implementation Partner selected i.e. Phases 1 and 2, completed in about 6 to 7 months time.
- 3.6.2 In the same spirit, the schedule for Phase 3 is also indicative and the Department would be guided by the expertise of the Consultant to come up with a milestone plan for downstream tasks through the successful rollout of the certified solution, stabilization and achievement of steady state operations.
- 3.6.3 Since the Department is keen to assess realistic project timelines and stick to this timeframe, the Department is also open to proposals from bidder that may be submitted as part of the work plan with due rationale/justification for an alternative project schedule.

Part 4. General Conditions Of Contract

4.1 Draft Contract

Draft Contract Document that will be entered with the CONSULTING AGENCY is provided along with the RFP as a separate document.

Part 5: Appendices

5.1 Additional Information to The Project

5.1.1. Financial and Human Resource Management System Stakeholders

Given the depth and breadth of the financial and Human Resource matter within the state government the stakeholders are both internal and external to the departments. The program is intended to bring in immense value to the Stakeholders articulated as follows:

- **Finance Department** to ensure effective Public Financial Management
- **Accountant General** to get easy access to treasuries information for efficient service delivery
- **State Government Employees** to be able to avail financial services and Human Resource Management Service in efficient and transparent way
- **Administrative Department** to be able to offer efficient financial and Human Resource Management related service to its employees and financial service to its Vendor etc.
- **RBI and Other Banks** to be able to communicate with departments in efficient and transparent manner
- **Citizen/Business** to get easy access to government financial services
- **Central Government & State Government** to have online linkage for information relating to grants and utilization thereof.
- **Pensioners** to get pensions and other retirement benefits in an efficient and transparent way.

5.1.2 Limitations & Shortcomings of Existing systems

- i. The current level of computerization of the finance department is not holistic and does not have end to end coverage of the business processes. It only covers the treasury operations mainly payments management, budget monitoring and control. Other services listed above viz. planning & budgeting, pensions, debt management, HRMS etc. are not covered.
- ii. It does not cover all stakeholders of the Financial Management system of the state. Main drawback of the existing system is its inability in assisting effective Public Financial Management by the DTA/FD.
- iii. The existing solution is not based on open standard and Architecture. As a result interoperability, scalability and support are major bottleneck. Any further addition of functionality requires tremendous effort. Financial information not available on real-time basis at DTA/FD level. Parallel system of electronic and manual bill processing

- Mix of both electronic and manual data at treasury/sub-treasury level;
 - Paper movement along with electronic work flow: No reduction in paper;
 - Additional work for the treasury staff while bill processing;
- iv. No insight on Pensions disbursement and Stamp duty collection which are managed by banks.
- v. No integrated view of the financial status of the state FD level.
- vi. No Information Security Management System is in place. Data is managed at local office level with less security controls.
- vii. As the systems are operated at each office separately following are some major drawbacks
- Availability and operational control not at desired level;
 - No service levels defined ;
 - IT infrastructure Management Mechanism including Backups and disaster recovery not in place. Currently it is locally driven;
 - Difficult to maintain versions;
 - No reduction of paper flow in the system;
 - Same data maintained at multiple places resulting in possibility of inconsistency;
 - No real-time consolidation of accounts at Treasury and DTA level;
 - Delay in accounting of State receipts;
 - Data transferred through media or other offline means which is prone to data corruption;
 - Data maintained both in electronic and physical form;
 - Delayed consolidation of sub-treasury accounts to treasury account;
- viii. There is very no comprehensive human resource management system currently in use at various departments.

5.1.3 Nature of Automated Solution Required for Integrated Operations

The government financial management cycle involves a series of processes beginning with budget preparation, budget authorization and control, payment management, receipts management, ways and means management, debt and aid management, budget review and audit evaluation. This can be indicated in cyclic manner as follows:

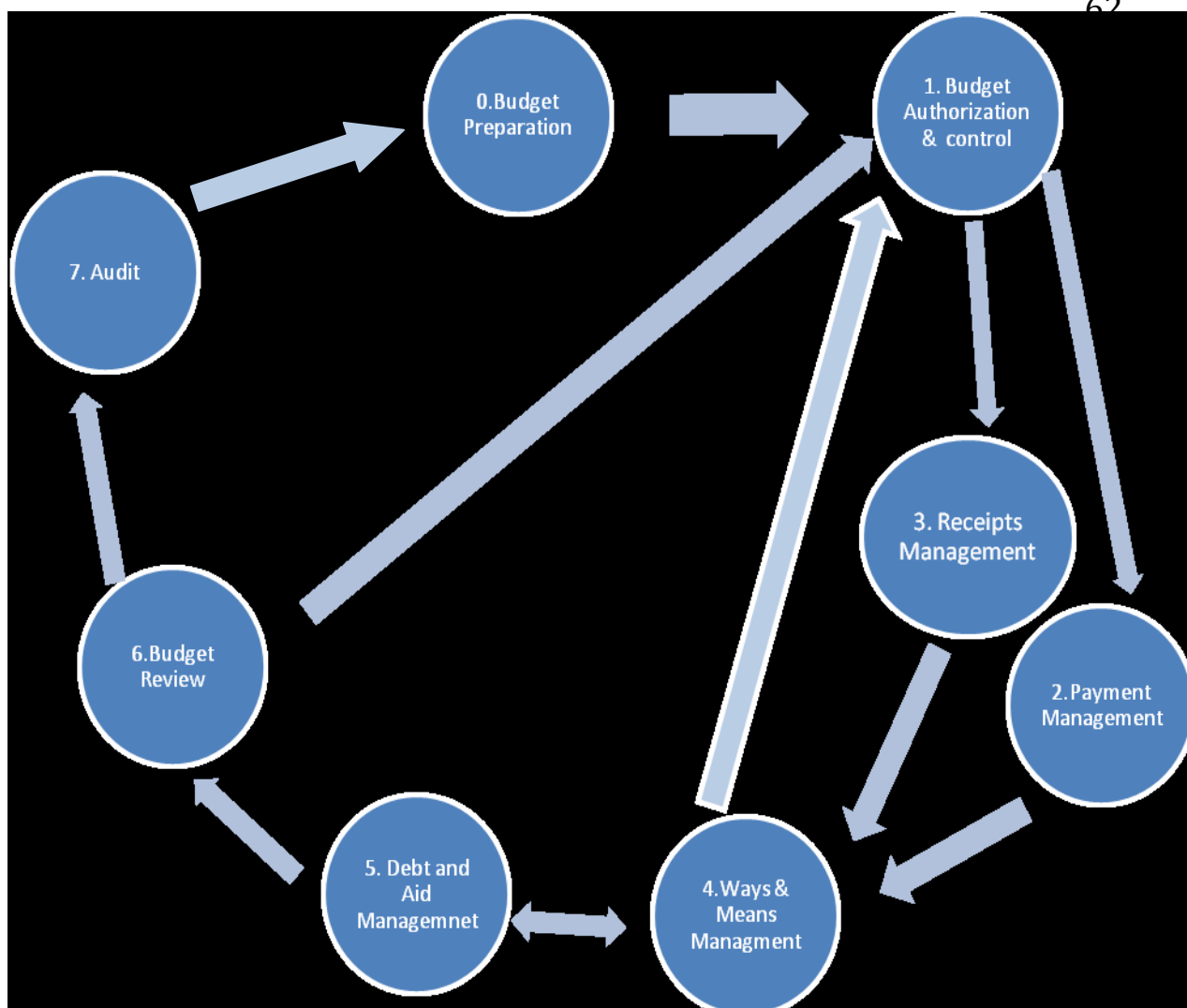


Figure 1: Government Financial Management Cycle

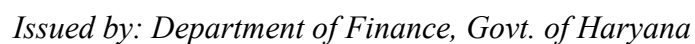
The processes indicated in steps 1 to 6 (as indicated in each bubble in the figure above) indicates one cycle that is carried out annually. The completed cycle of 1 to 6 for a year becomes the basis for Audit (step 7) in the following year. Within a year, the government financial management cycle has multiple control mechanisms; one of the

key mechanisms for control start with the authorization process and ends with the budget review process. The budget review process will give rise to supplementary budget authorization requests or budget modifications being referred to the state legislature.

The second cyclical control process is associated with the ways and means management. This is shown as reverse arrow from steps 4 to 1. The liquidity constraints may lead the treasury/ department of finance to restrict commitments over a certain time period. The third cycle is shown with a two way arrow between step 4 and 5. The short term and long term liquidity position of the government is required to be managed through borrowings by the government. Each of the processes shown above is required to be broken down to a set of detailed sub-processes. These sub-processes shall be the basis for system design.

A great deal of linkages has been observed between the HRMS and IFMS system. All fiscal aspect of personnel management of the state employees is very tightly coupled to IFMS. There are also some common elements between the IFMS and HRMS. This includes linkages for payroll, employee loans/advances, re-imbursements, pensions etc. Hence, an integrated framework for the proposed government financial and human resource management system is required to be developed before attempting any implementation of a comprehensive automated solution. The architecture of the IFMS and HRMS must support progressively upgrading or integrating other systems to cater to evolving future needs. Consequently the IFMS and HRMS should serve as a *common platform* and provide necessary interfaces to the various stakeholders involved in the financial and human resource management. Developing an overall architecture for the IFMS & HRMS will enable integration of various component modules adding to and converging into a single/common (logical) information database. Given the depth and breadth of the financial matter, coupled with the synergies that are planned to be leveraged with the inclusion of the HRMS aspects within the state government, the stakeholders are both internal and external to the department.

The indicative components for the IFMS and HRMS Framework are shown in the figure on next page.



The basic functionality of the indicative components as shown in figure 2 above is as follows:

- i. *Information System for Budgetary preparation, approval, monitoring and control:* The system will provide functionality for the department of finance to advise other departments on budget parameters and guidelines for submitting the budget estimates. It will receive details of planned programs and unplanned estimated expenditure from line agencies, consolidate them, and help in negotiation between the line agencies and central agencies. After finalization of budget by state legislature, the provision for approving the budget estimates. Some of the important high level functional requirements are as follows:
 - a. The system shall provide functionalities related with preparation of budget from the field office level with consolidation at department level with further consolidation at finance department for the state level;
 - b. The system shall provide information on the previous year budget data for assistance during budget preparation exercise;
 - c. The system shall allow the authorized user to enter approved budget data and/or revised budget data for the year;
 - d. The system shall have provision of classification of the budget as per the defined classification structure i.e. plan, non-plan etc.;
 - e. The system shall ensure that each revenue and expenditure budget classification code is unique;
 - f. Shall provide facility to distribute and import budget classification structure data across multiple organizational entities;
 - g. Fetch information from HRMS systems related to pay bills, advances etc.;
 - h. Freeze budget figures at various times on the basis of approvals or other significant events for control purposes;
 - i. Provide a means for analysis in deciding policy matters;
- ii. *Treasury Information System for Budget Execution, accounting and reporting:* This system will record expected and actual expenditure against budget allocations on expenditure side and tax and non tax revenues on the receipt side. The system will also provide functionality to maintain data (and also to operate upon) on budget authority, expenditure/spending units (DDO), programs/projects, budget transfer, supplementary

allocations and fund releases. The system also receives bills from the DDO (through DDO Module) either in electronic formats or in hard copy (to be entered in system) for its approval. It will also provide functionality of bills processing at treasury, issuance of pay order and will receive information from banks on actual disbursement. On receipts side the system will receive from bank information on receipts and will assist in reconciliation activity on the expenditure and receipts.

This system is core to the IFMS and is the primary repository of financial data. Some of the high level functional requirements of this system are as follows:

- The system shall have provision for apportionment of the approved budget over the 12 month period on a pre-defined basis, with a provision to override such apportioned budget for any given month;
- Revision of apportionment of the budget and allotment of the budget to various expenditure units;
- The system shall maintain a fund allocation register that records the details of the fund allocation position and provide sources of fund availability;
- The system shall provide functionality, allotment and apportionment of budget, budget control and re-apportionment of budget including supplementary budget and a provision for vote-on-account;
- Maintain register of spending units i.e. Drawing and Disbursement Office (DDO);
- The system shall provide facility for DDO for preparation of bill and submission of the bills to the treasury/sub-treasury for further processing. During bills submission availability of budget under the corresponding classification shall be verified;
- The system shall provide predefined workflow for processing of the bills right from the DDO to the treasury office extending into the office of the state accountant general;
- The DDO shall be able to get up-to-date status of processing of bills as they would be directly interacting with the IFMS;
- The system shall have interface with the treasury bank to communicate the pay order or electronically transfer the fund to the payee as mentioned in the bills;
- The system shall provide feature to update the status of payment electronically/manually as communicated by the treasury bank after making the payment to the party;

- The system shall have provisions to transit from cash to accrual based accounting.
- The system shall have provision to automatically process the regular pay bill (Straight through put process) and generate alert for any deviation during processing;
- Automated daily reconciliation of the payment for each treasury/sub-treasury be performed and any inconsistency reported to treasury officer;
- Consolidation of expenditure at DTA level shall be performed;
- The expenditure management component be firmly coupled with budget management for various functionality as budget control, fund availability etc. So that all expenditure are contained within the approved budget – including special provisions for approval where it exceeds the budget;
- The system shall support collection of tax and various type of non tax revenues and shall be able to classify the receipts into various account heads;
- The system shall provide payment of challan in traditional mode i.e. across bank counter or through electronic payment mechanisms such as credit card, cash card, Internet banking, debit card etc.;
- The system shall provide interface to departmental system for online reporting of receipts;
- The system shall provide facility of back end payment gateway for online receipts of challan through departmental portal;
- The system shall provide adequate level of control for all operational matters related to the items described above;
- The system shall generate reports of delay in deposit of receipt money by banks with the government and interest/penalty to be paid by bank for such delays.

iii. Ways and Means Management system: This system is important as it helps to maintain up-to-date picture of the government liquidity position and cash requirements in short term and long term. The system will receive information on the fund position in the consolidated fund of state (CFS) from the Reserve Bank of India and also on fund requirement from the departments through budget execution system. The system shall be able to make projections of revenue and expenditure for a defined future period (such as a month or quarter) on basis of past and current information available within the system. It shall also provide functionality for expenditure ceiling on classified expenditure.

- iv. *Debt Management System:* This system will maintain information on various categories of borrowings i.e. deposits or loans, with details on the payments to be made against these borrowings. Payments related to government borrowings are carried out of the CFS based on data from this system.
- v. *System to assist in fiscal aspects in Personnel Management:* This system will assist in functional processes associated with management and control of interfaces with HRMS and pension systems for salary and pension payments.
- vi. *System to Support Auditing:* This system will help in internal and external audit agencies to perform audit functions. It will help the auditors to access information maintained by other IFMS modules.

vii. *Pension Management System:*

The main issue with the pension management is of accuracy and completeness of the existing pensioner database. Government of Haryana is unable today to accurately count the number of pensioners to whom payments are made. Moreover, government of Haryana has decentralised the disbursement of pensions to agency banks across the state to make it more convenient for aging pensioners to receive their pension. As a result, Government of Haryana is currently not in a position to reconcile pension payments or to make accurate forecasts of its pension liabilities. The pension monitoring system is expected to centrally manage all pension management aspects of retired personnel covered under the non-NPS or defined benefit scheme. Again, the pension management system should have an interface with the IFMS and HRMS so that pension data can be exchanged seamlessly and a variety of analytical reports can be generated.

The Pension Management System is proposed to perform following:

- A comprehensive centralized pensioners database including personal, service and nomination information;
- Centralized Accounts maintenance for automated pension payments;
- Centralized pension revision;
- Centralized record keeping;
- Centralized accounts maintenance for pension payments;
- Reconciliation of pension payments at a single point

- Curbing overpayments by banks by way of effective controls and monitoring and not being dependent on the banks only;
- Linkage with New pension Scheme;
- Pension related grievances and redressal;
- Pension audit.

viii. *Human Resource Management System:* The rationale behind the Human Resource management system is to address three key issues facing government of Haryana in human resource including payroll management. First, the state currently does not have a centralised, electronic human resource database that is updated regularly by all departments. Other data relevant for larger human resource management aspects such as filling in vacancies, cadre management, career progression etc are currently maintained in distributed manner. Second, payroll administration is currently spread across a state-wide network of over 6,600 drawing and disbursal officers (DDOs), all of varying capacities and understanding of payroll management. The pay bills are majority chunk of bills that are manually processed by treasuries. It is cumbersome and error-prone process to make, verify and monitor changes in payrolls because of changes in an employee's service conditions or due to policy changes such as pay commission recommendations. *For the HRMS, personnel and career data* is anticipated to be uploaded and regularly updated by all government departments (including a onetime migration of all legacy data). The HRMS would use this data to centrally process payrolls (salaries, Provident Fund, insurance and matching contributions for the New Pension Scheme [NPS]) for all state government employees. The HRMS should have an appropriate interface with the IFMS so that key decision makers in government can seamlessly view and analyse payroll and personnel data.

Key elements of the scope of work with regard to the HRMS are outlined below.

The HRMS component will comprise the following activities

- A comprehensive employees database for all departments of government of Haryana including personal, education, work and nomination information;
- Pay-roll generation including deductions for DPF/GPF, pension (New Pension Scheme contributions only), insurance contributions as well other loans & advances;

- Plug-in of the New Pension Scheme (NPS) component to the Central Record Keeping Agency and related entities
 - Cadre Management;
 - Post management;
 - Transfer management;
 - Appraisals, rewards/incentives, increments, promotions;
 - Training and capacity building;
 - Employees Grievances reporting, tacking, resolution and closure;
 - Recruitment.
 -
- ix. *External Interfaces/Inter-operability with other systems:* The IFMS & HRMS system should be architected and designed in such a way that inter-operability with external systems like RBI, Treasury/sub-treasury banks, Central Plan Schemes Monitoring System (CPSMS) of Controller General of Accounts (CGA) etc. is part of the framework. The inter-operability standards as prescribed by DIT, GOI which is XML based shall be made as an integral part of the IFMS system. Inter-operability through State eGovernance Service delivery Gateway (SSDG) shall also be considered.
- x. *Interfacing & Integration with Accountant General of Haryana:* The IFMS & HRMS should be architected in such a way that it provides interfaces to the Office of Accountant General for various functionalities performed for the state of Haryana. The interfaces shall enable the flow of information from/to the Treasury/DDO to the AG office in a secure and seamless manner. The architecture shall have provisions to integrate with any current/future systems operational at the O/o AG, Haryana.

5.2 Formats For Submission Of Proposal

71

[Location, Date]

To

Director

Treasuries and Accounts

Department of Finance, Government of Haryana

Ph. No

Fax No:

e-mail:

Sir,

Sub: **Proposal for Selection of a Consulting Agency for Integrated Financial and Human Resource Management System Project**

We, the undersigned, offer to provide the consulting services for the above in accordance with your Request for Proposal dated _____. We are hereby submitting our proposal, which includes Technical proposal, and a financial proposal sealed under a separate envelope. Our proposal is binding upon us. We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorised Signatory

Name and Title of Signatory

Name of the Firm:

Address:

Telephone No:

Fax No:

E-mail:

5.3 Checklist For Prequalification Criteria

S.No	Criteria	Whether Met	Reference Details
1.	The bidder should be an organization registered in India, registered with the Service Tax Authorities and operating for the last five years .	Yes/No	Certificates of incorporation / registration as may be applicable
2.	The bidder should satisfy following financial criteria:- a) annual turnover of Rs 25 Crores over each of the last three financial years (FY 2007-08, 2008-09 and 2009-10) arising out of IT Consulting and Program/project management b) Net Cash Accruals (Profit after Tax + Depreciation – Dividends) of a minimum of Rs. Five (5) Cr. for each of the past last three financial years, c) Net Worth (Paid-up Share Capital + Free Reserves) of a minimum of Rs. Ten (10) Cr. in each of the last three financial years	Yes/No Yes/No Yes/No	Extracts from the audited Profit & Loss and Balance Sheet; Latest Annual Report; Certificate from the statutory auditor
3.	The company should have at least 50 technical staff during each of the past three years with educational qualifications and experience as per industry accepted levels	Yes/No	Self Certification by the authorized signatory with clear declaration of staff year wise, level wise
4.	The Bidder should have completed at least one independent consulting engagement (i.e. not as part of a consortium) involving High Level IT Consulting AND Project Management for a Government Department/Agency of value Rs.1 (one) Crore during the preceding three year period .	Yes/No	Completion Certificate

5.	The bidder should be able to demonstrate experience in all phase-specific requirements similar to that of the proposed engagement in a maximum of three separate customer engagements (ongoing or completed during the preceding three years) of value Rs. 1 (one) Crore each either for Govt. or geographically distributed enterprise of comparable or larger size than Finance Department.	Yes/No	Description of project and
6.	Not have been charged of involvement in any malpractice, fraud, scandal or any criminal case or have been blacklisted by any Central or State Government Department or Agency.	Yes/No	Declaration letter by an Authorized Signatory

5.3 Checklist For Technical Evaluation

74

IMPORTANT INSTRUCTION: Bidder is requested to conform to respective sections of the RFP Document when responding to this section:

S.No	Projects	Citation / CV Reference
EXPERIENCE RELATED TO THIS ENGAGEMENT (30 marks) *		
P1	<p>Experience relevant to this engagement as listed below to be demonstrated in a maximum of three engagements that have either been completed or an ongoing project where deliverable or milestone has been successfully met relevant to the experience</p> <ul style="list-style-type: none"> a. Conceptualization of holistic, end-to-end service oriented solutions b. Business Process Re-engineering, including domain specific best practices c. Program/Project Monitoring/Management d. Requirements management e. Development of Solution Architectures f. Project costing, financial and legal structuring g. Review and monitoring Software engineering /solution development h. IT Infrastructure evaluation, system, network and security management i. Change Management, including training j. Managing data migrations and digitization k. Bid process management l. SLA structuring and monitoring m. Implementation of Helpdesk, issue/problem resolution mechanisms & change management 	<p><Citations for each project along with work order to be attached></p> <p>NOTE: The Government Project referred in V1 may also be used as one of the three reference projects for demonstration of relevant experience.</p>

	<p>n. Experience in evaluation of managed services and structuring the same</p> <p>o. Business continuity planning</p> <p>p. Bid Process Management</p>	75
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METHODOLOGY & WORK PLAN(30 marks)		
OC1	<p>a) Approach and Methodology to perform the work in this assignment</p> <p>b) Demonstration of understanding of the Department's requirements with a clear project work break down structure along with timelines, resource assignment, dependencies and milestones</p>	<p><Relevant documentation to be attached></p> <p><Detailed Work Plan & Timeline with all key tasks and dependencies; in addition a consolidated staffing Plan in the format described in this section would be needed></p>
TEAM STRUCTURE &RESOURCE PROFILE (40 marks)		
R1	Resource Pool of ALL KEY consulting resources to be deployed for this project. The team should contain named resources of consultant who would be key contributors in all areas listed in Section 3.	<One summary sheet that contains name of resource, age, consultant level, educational background, years of experience + relevant experience, area of specialization and current project involvement and the duration of involvement should be submitted>
R2	Resume of all key consultants specified in R1	<CV not exceeding two pages per person to be attached as per format suggested in this section>

* assignments ongoing or completed

Note 1: Same Citation, if relevant, may be used as proof of experience for more than one project above.

Note 2: In case of consortium involvement, should clearly prove with documentary evidence on past experience.

5.4 Format For Citations

Using the format below, provide information on each reference assignment for which your organization, either individually or as a within an association (or consortium), was legally contracted. A client certificate should support each reference assignment.

Assignment Name	
Name of the Client along with name and designation of Project Coordinator from the Client Organization : (May be used for referencing)	
Address, phone and email ID:	
Type of customer & industry: (such as Government, Private, etc. along with type of industry focus, if applicable)	
Start Date & Duration of Engagement Current Status	
Approx. Value of engagement / services	
Whether involved independently or as a consortium (with details of prime or sub-contracting relationship, partner names, etc. along with the specific positioning of your organization in the consortium)	
Narrative Description of Project and objectives of the project/engagement.	
Nature of Services Provided (by your organization)	
Name of the Senior Staff (Project Director/Coordinator, Team Leader) involved and functions performed.	
Professional Staff: Team Size and approximate effort provided by your organization	
Description of Actual Services Provided by Your Staff:	

5.5 Suggested Format Of Curriculum Vitae (CV) For Key Staff

IMPORTANT NOTE: Please limit each CV to two pages

Proposed position: (Principal Consultant / Sr. Consultant / Consultant); Area of work:

Name of the Firm

Name of the Staff

Designation in the Firm:

Date of Birth and Nationality:

No. of years with Firm: _____

Total Experience: _____

Relevant Year of Experience: _____

Membership in Professional Societies: _____

Proficiency in English Language: _____

Proficiency in Hindi Language: _____

Educational Background:

[College/university and other specialized/management/professional education with institution/university names, year of completion and name of degree/diploma obtained]

Employment Record:

[Starting with present job, list in reverse chronological order employment data, listing positions held, dates, and name of employer, job title and locations of work. Provide very briefly the types of activities performed during the most recent ten year period]

Competencies, Achievements and Relevant Experience

[Give a description of staff member's in-depth and successful experience in maximum five assignments most pertinent to tasks on this assignment. Details required are as under: Name and Objective of Assignment, Role on the assignment, Year and Duration of assignment, Location, Name of Client and a description of the key activities performed by the staff member and staff member's contribution to the project.]

Briefly List Publications, Awards, etc.

5.6 Consolidated Deadlines & Resource Deployment Plan

S.No	Milestone	Proposed Elapsed Time in (T) weeks	Level of Expertise and specialization proposed to be deployed	Estimated effort in person weeks for each resource.
1.	Phase 1: Successful completion of Exit Criteria			
2.	Phase 2: Successful completion of Exit Criteria i.e. Implementation Partner in place			
3.	Establishment of PeMT and initial orientation			
4.	Completion of solution development and Certification of Solution			
5.	Implementation Pilot phase (as may be applicable)			
6.	State wide rollout of full functionality completed along with certification and data migration			
7.	Streaming and stabilization of the project (completion certificate and agreed specifics of monitoring)			
8.	Routine Project management for three years (As part of plan the PeMT is to be empowered and activities to be taken up by PeMT at end of this contract)			

5.7 Financial Proposal Submission Form

79

FROM: (Name of the Firm)	To: (Name and address of the Client)

Sir,

Subject : Selection of a Consulting Agency for Integrated Financial and Human Resource Management System Project, Financial Proposal.

We, the undersigned, offer to provide the consulting services for the above in accordance with your Request for Proposal dated *[Date]*, and our proposal (Technical and Financial Proposals).

Our attached financial proposal as is “Part A” that contains the consolidated Project Cost *[Amount in words and figures]*. This amount is inclusive of all project related expenses and taxes (computed as per the current rate) payable under the local laws. We understand that this amount is subject to deduction of tax at source as provided under applicable law. Any variation in taxes rates during the contract tenure will be to the client’s account supported by relevant documentation.

“Part B” provides person month rates for various levels of personnel that may be applied to any additional work and/or scope changes, if any, arising during the project duration.

“Part C” provides additional information and notes that are relevant to the Financial Proposal.
(STRIKE OUT IF NOT APPLICABLE)

Our financial proposal shall be binding upon us subject to the modifications resulting from contract negotiations, up to expiration of the validity period of the Proposal, i.e.

[Date]

We solemnly affirm that we will strictly adhere to the laws against fraud, corruption and unethical practices, including but not limited to “Prevention of Corruption Act, 1988”, during the bidding process and execution of the contract, in case we are awarded the work.

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,
Authorized Signatory
Name and Title of Signatory,
Name of the Firm & Address

Part A: Project Cost

Project Phases	Phase 1	Phase 2	Phase 3	Phase 4*	Phase 4 Ext** - Yr 4	Phase 4Ext**- Yr 5
Project Value (A)						
Other Project Expenses, itemized list (B)						
Taxes, itemized list (C)						
Total (D) : (A) + (B) + (C)						

*Project Management for a period of three years from the date of Pilot roll-out

**A similar cost structure to be proposed separately for the FOURTH and FIFTH years of operations as part of Phase 4 (to be provided separately for each year).

Item (B) in the above table shall include all travel, travel related expenses and other expenses including the cost of certifications that are required; no additional claims over the amount mentioned in this line item will be allowed during the engagement.

Part B: Monthly Rates for compensation for Additional Work:

These rates applicable for any additional work performed by the consulting agency which is not part of initial scope as defined. Formal approval from client is to be taken before commencement of the work.

This rate shall be valid for all four phases (Till year 3 of Phase 4) as defined in the section 3.1.

Level	Relevant years of experience	Monthly Rate (inclusive of taxes & additional expenses)
Principal Consultant	>15 years	
Senior Consultant	10-15 years	
Consultant	5-10 years	
(E) Average monthly rate (Calculated on basis of 1PC: 4SC: 8 C)		

Financial Assessment shall be done on the basis of the Total Value 'F' which is sum of total Project value (D) for phases 1 to 4 (up to the first three years of phase 4) and Rate for a half of year of average man power effort calculated by multiplying the value specified in (E) with six (6) i.e. (Sum of Project value (D) for phases 1,2,3 & 4 + 6* Average monthly rate (E)).

Note: Cost for Phase 4 ext for year four and five will not be taken as part of Financial assessment.

5.8 Form of Performance Bank Guarantee

(To be stamped in accordance with Stamp Act, if any, of the country of issuing bank)

Ref: _____

Bank Guarantee: _____

Date : _____

To

Director

Treasuries and Accounts,

Department of Finance

Government of Haryana

Chandigarh

Dear Sir,

WHEREAS

M/s. (name of Bidder/tendered), a company registered under the Companies Act, 1956, having its registered and corporate office at (address of the Operator), (hereinafter referred to as “our constituent”, which expression, unless excluded or repugnant to the context or meaning thereof, includes its successors and assigns), agreed to enter into a Contract dated (herein after, referred to as “Contract”) with you (Director Treasuries and Accounts, Govt. of Haryana) as a **Consulting Agency for Integrated Financial and Human Resource Management System Project**; in the said Contract.

We are aware of the fact that as per the terms of the Contract, M/s. (name of Bidder/Tenderer) is required to furnish an unconditional and irrevocable Bank Guarantee in your favour for an amount ----- (5% of contract value) for a period of 24months from the date of signing of the contract and an amount of ----- (2% of contract value) for a period starting from 25th month to 60th month from date of signing of

contract, and guarantee the due performance by our constituent as per the Contract and do hereby agree and undertake to pay any and all amount due and payable under this bank guarantee, as security against breach/ default of the said Contract by our Constituent.

In consideration of the fact that our constituent is our valued customer and the fact that he has entered into the said Contract with you, we, (name and address of the bank), have agreed to issue this Performance Bank Guarantee.

Therefore, we (name and address of the bank) hereby unconditionally and irrevocably guarantee you as under:

In the event of our constituent committing any breach/default of the said Contract, and which has not been rectified by him, we hereby agree to pay you forthwith on demand such sum/s not exceeding the value of Bank Guarantee for that time (5% of contract value for a period of 24months from the date of signing of the contract and 2% of contract value for a period starting from 25th month to 60th month from date of signing of contract) without any demur.

Notwithstanding anything to the contrary, as contained in the said Contract, we agree that your decision as to whether our constituent has made any such default(s) / breach(es), as aforesaid and the amount or amounts to which you are entitled by reasons thereof, subject to the terms and conditions of the said Contract, will be binding on us and we shall not be entitled to ask you to establish your claim or claims under this Performance Bank Guarantee, but will pay the same forthwith on your demand without any protest or demur.

This Performance Bank Guarantee shall continue and hold good till the completion of the Project from the date of signing of the contract. (plus SIX months) or 'Transfer' + 6 months i.e. (date), subject to the terms and conditions in the said Contract. We bind ourselves to pay the above said amount at any point of time commencing from the date of the said Contract until the completion of the project period (plus SIX months) or 'Transfer' + 6 months as per said Contract.

We further agree that the termination of the said Agreement, for reasons solely attributable to our constituent, virtually empowers you to demand for the payment of the above said amount under this guarantee and we would honour the same without demur.

We hereby expressly waive all our rights:

- (i) Requiring to pursue legal remedies against Authorised Representative, Department of Finance, Government of Haryana; and
- (ii) For notice of acceptance hereof any action taken or omitted in reliance hereon, of any defaults under the Contract and any resentment, demand, protest or any notice of any kind.

We the Guarantor, as primary obligor and not merely Surety or Guarantor of collection, do hereby irrevocably and unconditionally give our guarantee and undertake to pay any amount you may claim (by one or more claims) up to but not exceeding the amount mentioned aforesaid during the period from and including the date of issue of this guarantee through the period.

We specifically confirm that no proof of any amount due to you under the Contract is required to be provided to us in connection with any demand by you for payment under this guarantee other than your written demand.

Any notice by way of demand or otherwise hereunder may be sent by special courier, telex, fax, registered post or other electronic media to our address, as aforesaid and if sent by post, it shall be deemed to have been given to us after the expiry of 48 hours when the same has been posted.

If it is necessary to extend this guarantee on account of any reason whatsoever, we undertake to extend the period of this guarantee on the request of our constituent under intimation to you. This Performance Bank Guarantee shall not be affected by any change in the constitution of our constituent nor shall it be affected by any change in our constitution or by any amalgamation or absorption thereof or therewith or reconstruction or winding up, but will

ensure to the benefit of you and be available to and be enforceable by you during the period—
from and including the date of issue of this guarantee through the period.

We hereby confirm that we have the power/s to issue this Guarantee in your favour under the Memorandum and Articles of Association/ Constitution of our bank and the undersigned is/are the recipient of authority by express delegation of power/s and has/have full power/s to execute this guarantee under the Power of Attorney issued by the bank in your favour.

We further agree that the exercise of any of your rights against our constituent to enforce or forbear to enforce or any other indulgence or facility, extended to our constituent to carry out the contractual obligations as per the said Contract, would not release our liability under this guarantee and that your right against us shall remain in full force and effect, notwithstanding any arrangement that may be entered into between you and our constituent, during the entire currency of this guarantee

Notwithstanding anything contained herein, our liability under this Performance Guarantee is restricted to 5% of contract value for a period of 24 months from the date of signing of the contract and 2% of contract value for a period starting from 25th month to 60th month from date of signing of contract, and shall continue to exist, subject to the terms and conditions contained herein, unless a written claim is lodged on us on or before the aforesaid date of expiry of this guarantee; This Performance Bank Guarantee shall be valid only up to the completion of the Project (plus SIX months) or 'Transfer' + 6 months; and We are liable to pay the guaranteed amount or part thereof under this Performance Bank Guarantee only and only if we receive a written claim or demand on or before (Date i.e. completion of the project period plus SIX months or 'Transfer' + 6 months for the proposed services to Authorised Representative, Department of Finance, Government of Haryana).

Any payment made hereunder shall be free and clear of and without deduction for or on account of taxes, levies, imports, charges, duties, fees, deductions or withholding of any nature imposts.

This Performance Bank Guarantee must be returned to the bank upon its expiry. If the bank does not receive the Performance Bank Guarantee within the above-mentioned period, subject to the terms and conditions contained herein, it shall be deemed to be automatically cancelled.

This guarantee shall be governed by and construed in accordance with the Indian Laws and we hereby submit to the exclusive jurisdiction of courts of Justice in India for the purpose of any suit or action or other proceedings arising out of this guarantee or the subject matter hereof brought by you may not be enforced in or by such court.

Dated this day year

Yours faithfully,

For and on behalf of the Bank,

(Signature)

Designation

(Address of the Bank)

Note:

This guarantee will attract stamp duty as a security bond.

A duly certified copy of the requisite authority conferred on the official/s to execute the guarantee on behalf of the bank should be annexed to this guarantee for verification and retention thereof as documentary evidence in the matter.