Minutes of the ELEMENT pre- proposal meeting of Procurement cum Purchase Committee of the Request for Proposal (RFP) for the Financial Management Technical Support (Accounting) Consultancy, held on 8th September, 2025, 11:00 AM, at the Conference Room of ELEMENT Office, Nagaland.

A meeting chaired by the Deputy Project Director (Accounts, Finance, Procurement & Audit) and attended by members of the ELEMENT SPMU Purchase-cum-Procurement Committee was convened to provide clarifications on the Request for Proposal (RFP) and to address the technical and procedural queries raised by prospective bidders regarding the assignment for hiring a Financial Management Technical Support (Accounting) Consultancy. The participants were encouraged to engage in open dialogue and constructive discussion during the session with regard to the RFP.

The following points from the RFP were discussed and addressed accordingly

I. Terms of Reference (ToR)- Payment Schedule Deliverables. Acceptance of the Compliance Observations report for the Element Project from 31st March, 2023 to 31st Jan, 2025 and compliance to the Statutory Auditors' Observations for the F.Y. 2024-25.

Queries Raised	**Responses**
1. Clarification requested on the rationale for including the period from March 31, 2023, in the reporting scope, as the timeline appears to extend into the past rather than commencing from 2025 onwards.	The observation period is set from March 2023, as project preparation was initiated during this period under the guidance and agreement of the World Bank and the Government of Nagaland. All related expenditures therefore need to be streamlined in line with the Government of Nagaland and statutory audit requirements.
2. Confirmation was requested on whether expenditures for the specified retroactive period have been reviewed and cleared by the World Bank.	Expenditures for the retroactive financing period (14 April 2023 to 28 January 2025) have already been reviewed, cleared, and reimbursed by the World Bank.
3. Clarification on whether a Balance Sheet is required to be prepared for this reporting scope.	A separate Balance Sheet for the period is not required. The Balance Sheet will be prepared as part of the Statutory Audit for the complete Financial Year 2024–25.
4. Clarification on compliance obligations in the event of a statutory audit.	No CA firm has been engaged to date for review. The selected FMTSC will be required to review invoices and ensure compliance with statutory audit requirements as applicable.
5. Clarification on whether books of accounts are in place.	Books of accounts are being maintained in Tally, supplemented with hard copy records including Journal, Cash Book, Bank Reconciliation Statement (BRS), and Asset Register.

6. Clarification on whether any Chartered Accountants (CA) are currently engaged at SPMU or ZMU.	No CA firm has been engaged by the project to date.

II. Clarifications on IUFR, Financial Statements, and Audit

Queries Raised	**Responses**
1. Clarification on the starting period applicable for the IUFR.	IUFR will be prepared from the prevailing expenditures that have not yet been submitted to the World Bank.
2. Clarification on the acceptance of Annual Financial Statements (AFS) and the authority responsible.	The AFS for the contract period (Financial Year: April–March) will be reviewed and accepted by the external Chartered Accountant (CA) firm.
3. Clarification on the process for acceptance and verification of audit compliance, and the responsible authority.	Audit compliance verification will similarly be undertaken by the external CA firm, in line with statutory procedure and contractual provisions.
4. Clarification on implications if the assignment concludes before December (e.g., cost implications, RFP modifications).	The project follows the Indian Financial Year cycle (April–March) notwithstanding World Bank funding. Assignments will align with this schedule. Costs and deliverables will be subject to contract terms. RFP modifications cannot be considered post-issuance.
5. Clarification on auditor engagement and potential delays vis-à-vis project timelines.	Engagement of the FMTSC is expected by September–October. In parallel, the project will initiate the procurement of Internal Audit services by October to ensure timely verification of financial statements.
6. Clarification on audit compliance scope (statutory audit vs internal audit).	Compliance requirements are bifurcated as follows: (a) IUFR – 10%, (b) Annual Financial Report acceptance – 5%, (c) Audit compliance – 5%. Statutory audit will follow GoI audit rules and timelines.
7. Clarification on availability of Financial Management Manual (FMM) and role of FMTSC.	The project is in the process of developing a Financial Management Manual. The expertise and inputs of the FMTSC will be required in drafting and finalizing this Manual.

8. Compliance with statutory auditors' observations for FY 2024–25.	Statutory audit for FY 2024–25 covering the period April 2024–March 2025 will be conducted as per GoI rules. Payment schedules will be revised accordingly during contract execution.

III. Clarifications on Training, Contract Structure, and Resources

Queries Raised	Responses
1. Clarification on training scope (all staff vs audit-related staff), and inclusion of training costs in quotation.	The consultant shall provide training to finance staff of SPMU, ZMUs, and PFAs with a focus on technical knowledge and audit-related procedures. Costs for training activities shall be included in the proposal.
2. Clarification on contract structure (time-based vs lump-sum).	The contract will be a lump-sum contract in accordance with the RFP.
3. Clarification on qualification requirements: Team Leader and Finance Specialist.	As per the ToR, the Finance Specialist must be a Chartered Accountant (CA) or actively pursuing CA with at least 5 years of relevant experience, and will be based at the SPMU. The Team Leader should have commensurate qualifications and experience as specified in the RFP.
4. Clarification on reporting timeframe given WB and GoI fiscal periods.	The project will follow the Indian Financial Year (April–March) for all reporting purposes.
5. Clarification on reporting language.	All reporting shall be submitted in English.
6. Clarification on ERP system utilization in FMTSC scope.	ERP system development and implementation will be undertaken by an external vendor. The FMTSC shall provide technical inputs and feedback on processes and reporting formats.
7. Request to shift financial reporting period by an additional year.	In such a case, the consultant's Audit Report for FY 2024–25 (if not available) may be substituted with FY 2021–22, subject to approval.
8. Request for 3-week extension of RFP submission deadline.	Request for extension has been considered and the last date for submission deadline has been revised to 22nd September 2025 13:00 Hrs and Opening on the same date at 13:30 Hrs.
9. Clarification on submission format (hard copy vs online).	As per Data sheet 17 and 17.1 of the RFP, proposals must be submitted digitally, duly signed, encrypted, and complete in accordance with the Data Sheet. No hard copy submission is required.

10. Clarification on the number of resources required per profile.	The RFP specifies: 1 Team Leader, 1 Finance Specialist, and 3 Accountants. (Ref: RFP Page 35(ii) – Key Experts' qualifications and competence).
11. Clarification on requirement to deploy same resources as provided in CVs.	During the bid validity period, consultants must ensure the availability of the proposed experts as per their submissions. Substitution is not permitted except in exceptional circumstances and with prior client approval.
12. Clarification on retaining existing vs deploying new resources.	Consultants are expected to deploy new resources as per the assignment requirements. Retention of existing resources is not mandatory unless explicitly instructed by the Client.

Any official modifications to the RFP arising from the pre-bid discussions shall be issued separately through a formal corrigendum or addendum. The queries raised and the clarifications provided during the meeting will be compiled as the official minutes of the pre-bid meeting and uploaded on the e-tender portal for the information and benefit of all prospective bidders.

The meeting ended with thanks from the chair.

12/09/25

(CHONPENTHUNG EZUNG) NCS
Deputy Secretary, Agriculture
& Deputy Project Director, ELEMENT