

**6<sup>th</sup> State Finance Commission, Haryana**  
**Expression of Interest**  
**(For providing Handholding/ knowledge support to State Finance Commission, Haryana.)**

**I. Context of the Project / Scope of work.**

In pursuance of the provision of Articles 243-I and 243-Y of the Constitution of India and section 213 of the Haryana Panchayati Raj Act, 1994 (Act 11 of 1994) and rule 3 of the Haryana Finance Commission Rules, 1994, the State Government of Haryana constituted the 6<sup>th</sup> State Finance Commission (SFC). As per the Constitutional Amendment, each Commission should be established to give recommendations for five years and then the body of subsequent Commission will be constituted.

The objectives of this exercise are:

1. distribution from the states to the panchayats and municipalities of the net proceeds of taxes, duties, tolls, and fees;
2. determination of taxes, duties, tolls, and fees to be assigned to the PRIs and ULBs;
3. grants-in-aid to the PRIs and ULBs; and
4. review the measures required to mend and improve the fiscal position of the PRIs and ULBs.

The State Finance Commission plays a crucial role in the efficient fiscal decentralization scheme which aims to diminish the adhocism and arbitrariness in the intergovernmental fiscal transfers system at the state and local levels. In addition, the recommendations of State Finance Commission, followed by their acceptance or non-acceptance, would serve as the predominant inputs to the award of Union Finance Commission.

In this context, based on the aforementioned broad objectives, the Commission has to specifically make recommendations relating to the following matters:

**1. Improving the fiscal autonomy of all the three tiers (Gram Panchayats at Village level), Panchayat Samitis at Block level, and Zilla Parishads at District level) of Panchayati Raj Institutions (PRIs).**

(a) Commission shall make recommendations relating to the following matters:

(i) The distribution between the State and Zila Parishads, Panchayat Samitis and Gram Panchayats, of the net proceeds of the taxes and duties, tolls, and fee leviable by the State which may be divided between them under Part IX of the Constitution of India and the allocation between Zila Parishad, Panchayat Samiti and Gram Panchayats at all levels of their respective shares of such proceeds;

(ii) The determination of the taxes, duties, tolls, and fee which may be assigned to or appropriated by, the Gram Panchayat Samitis and Zila Parishads;

(iii) The grants-in-aid to the Zila Parishad, Panchayat Samiti and Gram panchayat from the consolidated fund of the State;

(b) the measures needed to improve the financial position of the Gram Panchayats, Panchayat Samitis and Zila Parishads.

**2. The specific measures needed to improve the fiscal health of the Urban Local Bodies (Municipalities) are:**

(i) The distribution between State and the Municipalities of the net proceeds of the taxes, duties, tolls, and fee leviable by the State, which may be divided between the municipalities at all levels of their respective shares of such proceeds;

(ii) The determination of the taxes, duties, tolls, and fee which may be assigned to or appropriated by the Municipalities;

(iii) The Grants-in-aid to the Municipalities from the Consolidated Fund of the State;

**3. In making its recommendations, the Commission shall have regard, among other considerations to:**

a. The objective of balancing the receipts and expenditure of the State, and for generating surplus for capital investment;

b. The resources of the State Government and demands thereon particularly in respect of expenditure on Civil Administration, maintenance and upkeep of capital assets, maintenance expenditure on plan schemes and other committed expenditure or liabilities of the State; and

c. The requirements of the PRIs and the Municipalities, their potential for raising resources and for reducing expenditure.

**II. Scope of work and Deliverables of Handholding/ knowledge support to the State Finance Commission:**

The shortlisted organization/ institution/ agency will provide handholding support to the Commission in preparation of the final draft report by supporting in data collection and analysis of the data collected by development of IT platform which will include the following steps:

**STEP I: Literature Review**

The shortlisted organization/ institution/ agency will undertake a detailed literature review including reports of CFCs and latest SFCs of select states, constitutional provisions status of devolution to the urban and rural local bodies of different states. The state Acts, rules made under the Act, and state policies with regard to the financial positions and the devolution patterns shall have to be analyzed by visiting the offices of the concerned SFCs and even concerned departments of urban local bodies/ PRIs for collection of preliminary data. Compilation of analysis of this data shall also be taken up by the shortlisted organization/ institution/ agency.

## **STEP II. Development of IT tools/ infrastructure**

The shortlisted organization/ institution/ agency shall also have to work on the IT tool/ infrastructure to support the Commission. A questionnaire template shall also be prepared.

## **STEP III. Study of selected local bodies**

The shortlisted organization/ institution/ agency shall have to visit the selected Zila Parishads, Panchayat Samitis, Gram Panchayats and Municipalities in consultation with State Finance Commission, Haryana for detailed study to analyse the financial status and all aspects of governance including service delivery etc. in the given timeframe.

## **STEP IV. Organization and participation in workshop**

The shortlisted organization/ institution/ agency shall have to facilitate and participate in the meetings/ workshops/ seminars to be organized by SFC of Haryana in order to comprehend the perspective of various stakeholders on different aspects which would be the basis for report preparation.

## **STEP V. Data analysis**

The data collected by the shortlisted organization/ institution/ agency through its IT platform on the administrative, infrastructure, governance and financial status of the identified local bodies would be analysed – both the qualitative and quantitative. The analysis will contain two dimensions i.e. analysis at horizontal as well as vertical level, which will bring out a detailed status of functioning of rural and urban local bodies.

## **STEP VI. Interim draft report preparation**

An interim draft report shall be prepared and submitted to the Committee constituted by the Commission within a period of four months from the commencement of the work. After submission of the interim draft report, a workshop will be organized by the SFC with sector experts and head of the concerned departments to discuss the interim draft report. Suggestions made in the meeting shall have to be incorporated while preparing the final draft report.

## **STEP VII. Final draft report preparation**

The final draft report will be prepared by the shortlisted organization/ institution/ agency and submitted to the Commission after incorporating the suggestions and feedback of various stakeholders.

## **III. Timeline**

- The handholding support will have to be provided by the organization/ institution/ agency shortlisted within a period of Four months OR till the term of the Commission
- This Commission reserves the right to alter/modify the proposed Terms of Reference of handholding support. However, the changes proposed, and the cost/time implications would be negotiated with the shortlisted organization/ institution/ agency.

#### **IV. Cost**

Cost would depend on the financial bids submitted by the qualified organization/ institution/ agency.

The technical and financial bids shall be evaluated by a committee constituted by the Commission.

#### **V. Who can submit Expression of Interest (EOI)**

1. The organizations/ institutions/ agencies are eligible to apply who have already provided handholding/ knowledge support to the CFC/ SFCs etc OR conducted studies for the SFCs or Central Finance Commission on the matters pertaining to local govt. institutions (both ULBs and PRIs).
2. State/ National level institutions providing capacity building support to ULBs and PRIs on various aspects of local governance, planning and finances.
3. The organizations/ institutions/ agencies should be a legal entity eligible to enter into an agreement/ contract with the Commission to undertake work contract in India.
4. The organizations/ institutions/ agencies must have an average annual turnover of rupees two crore for the last 3 years.

#### **VI. How to Apply.**

Interested organization/ institution/ agency who satisfies the conditions mentioned in above may submit the expression of interest with relevant details in the 'Proforma' attached. The scanned copy of EOI application in the prescribed Performa duly signed by the authorized person in each page shall be submitted only through **email before 14<sup>th</sup> May, 2021 at [info-6sfc@hry.gov.in](mailto:info-6sfc@hry.gov.in)**

#### **VII. Selection & Evaluating of Agency**

##### **1. The Evaluation Process:**

1.1. The Commission shall first evaluate the pre-qualification proposal as per the pre-qualification criteria detailed below. The Technical Proposals of only those institutions who qualify in the prequalification proposals shall be opened. The technical evaluation will be done on the basis of the institutions responsiveness to the evaluation criteria provided. Financial proposals of only those organizations who are technically qualified will be opened.

1.2. The evaluation will be done using the Quality & Cost Based Selection (QCBS). The organization with the lowest financial evaluations will be scored the highest. The final score will be calculated using the combination of technical and financial scores. 70% Weightage will be given to the technical score, and 30% to the financial score. The institution with the highest combined total score will be selected.

##### **2. Pre-Qualification criteria:**

<b>Sr.No.</b>	<b>Criteria</b>
<b>1.</b>	The Institution should be a legal entity, eligible to undertake a work contract in India and enter into an agreement with the State Finance Commission.
<b>2.</b>	The Institution should have a minimum of 5 years of experience in providing handholding support /conducting large scale studies for CFC/ SFCs etc in urban and rural areas in India as on March 31, 2021.

3.	The Institution should have minimum 5 years experience in working with State/Central Government departments for research/consulting or advisory.
4.	The Institution must have an average annual turnover of minimum INR 2 crores during the last 3 financial years ending March 31, 2020 from operations in India
5.	The Institution should not be blacklisted or debarred by Government or Government agency as on date of the submission of the proposal.

### 3. Technical Evaluation Criteria:

3.1	Previous Experience	Maximum Marks
	1. The Institution should have experience in providing handholding support to the CFC/SFC OR providing capacity building support to ULBs and PRIs on various aspects of local governance, planning and finances. <input type="checkbox"/> Marks will be awarded for up to 5 projects in rural and urban areas <input type="checkbox"/> 5 marks each for such projects.	25
	2. Experience in conducting large scale research studies with state or central governments or departments in the last 5 years <input type="checkbox"/> 3 marks per project up to maximum of 15 marks	15
	3. Experience in providing capacity building support to ULBs and PRIs on local governance, Planning and financial management. <input type="checkbox"/> 2 marks per project up to maximum of 10 marks	10
	4. Prior Experience of working with State/ Central Finance Commission. The project should be initiated in the last 7 years. Preference will be given to more recent collaborations.	--
	<b>Total Score for criterion i</b>	50

3.2 Qualification & Experience of Team proposed		
	Criteria	Maximum Marks.
1.	Project Lead	10
2.	Subject Matter Expert (Technical Lead)	10
3.	Urban Local bodies Expert team	15
4.	Rural local bodies expert team	15
	Total score for criterion 3.2	50

**Total score for criterion i + ii = 100**

## Annexure

### Proforma

(Please e-mail scanned copy to info-6sfc@hry.gov.in)

#### Expression of Interest for providing Handholding/ knowledge support to State Finance Commission, Haryana.

Name of the Organization/Institution/Agency:

Contact Person:

Address:

Phone-

E-mail-

Fax-

2. State/ National level institutions providing capacity building support to ULBs and PRIs on various aspects of local governance, planning and finances.

<b>A. Details of the organizations/ institutions/ agencies who have already provided handholding/ knowledge support to the CFC/ SFCs etc OR conducted studies for the SFCs or Central Finance Commission on the matters pertaining to local govt. institutions (both ULBs and PRIs).</b>					
Sr.No.	Title of Project	Name of Client & Address	Date of Project		Value (In Rs)
			Commencement	Completion	
1.					
2.					
3.					
4.					
5.					
<b>B. Professional/Technical Human Resources of the organization as on the date of submission the EoI (Do not attach CVs) (in Numbers)</b>					
		<b>Engaged in the field of ULBs/PRIs</b>	<b>Other field</b>	<b>Total</b>	
	<b>Technical Manpower</b>				
	<b>Research Manpower</b>				
	<b>Both Research and Technical Manpower.</b>				
<b>C. Annual turnover of from research/survey/consultancy services (Rs. in lakh)</b>					
	<b>Year 2017-18</b>				
	<b>Year 2018-19</b>				
	<b>Year 2019-20</b>				
<b>D. Experience for any association with the earlier State/Central Finance Commission ( In Brief)</b>					

### **Proforma: Technical Proposal**

Please provide your proposal in the following format:

1. Proposed Project (Please Specify)
2. Methodology
3. Deliverables
4. Timeline
5. Budget (itemized)

### **CERTIFICATE**

It is certified that:

1. The information given above is TRUE to the best of my knowledge. The organization shall stand liable for any information given above which is later found to be FALSE.
2. Our agency/organization/institution is interested to undertake the proposed project with the Commission.
3. I am competent to sign this Certificate.

Date:

Authorized Signatory

Place:

Name: