

**THE AGREEMENT**

**BETWEEN**

**SECOND MIZORAM FINANCE COMMISSION**

**AND**

**Dr. JAMES L.T. THANGA,  
ASSOCIATE PROFESSOR,  
MIZORAM UNIVERSITY**

*Handwritten signature and date:*  
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This Study Report Agreement (hereinafter referred to as the "Agreement") is entered into this 2<sup>nd</sup> day of May, 2022 between the 2<sup>nd</sup> Mizoram Finance Commission, Aizawl represented by the Member Secretary (hereinafter referred to as First Party) and Dr. James L.T. Thanga, Associate Professor, Department of Economics, Mizoram University (hereinafter referred to as Second Party).

2. WHEREAS the First party desired that the study titled **"Study on the devolution of funds to Rural Local Bodies, Urban Local Bodies and Autonomous District Councils including measures to strengthen their financial position"** may be conducted by the Second party based on the Terms of Reference (ToR) finalized by the First party and contained in the Schedule. The Second Party agrees to perform the desired study to achieve the objectives as described in the ToR contained in the Schedule.

3. WHEREAS the First party desired that the said study may be conducted by the Second Party as per the terms and conditions mutually agreed to by both the parties and described hereinafter.

4. The First party will make the payment of the total cost of the Study mutually agreed to and subject to conditions mentioned in Schedule I, in three installments, in the following manner:-

- a) The first installment amounting to ₹2 lakhs (rupees two lakhs only) will be released after signing the Agreement.
- b) The second installment amounting to ₹1 lakh (rupees one lakh only) will be released on the expiry of two months after submission of progress report supported by evidence of works.
- c) The third and final installment amounting to ₹1 lakh (rupees one lakh only) will be released after submission of the final report.

5. The Second party will ensure that as on the Date of Execution of the Agreement (hereinafter referred to as the Effective date), there does

not exist any circumstance that may prevent the Second Party from carrying out and fulfilling its obligations under this Agreement. The Second Party agrees to notify the First party immediately if any such circumstance comes into existence at any point of time during the term of this Agreement.

6. This Agreement shall be effective from the date of execution hereof by the Parties hereto. The Second Party shall commence the Study Report from the Effective Date and shall carry out the study with all due care, diligence and efficiency, in accordance with the highest standards of professional competence, organization and responsibility, and in a manner most suited to the requirements in accordance with the schedules and time limits established under the Terms of Reference described in Schedule I of this Agreement, or as may be indicated by the First party, in writing. The study must be new/novel/original and must not have been published in any media/medium in any manner whatsoever, nor submitted to any Person.

7. Nothing contained in this Agreement shall be construed as establishing or creating any relationship between the First party, on the one part, and the Second Party, on the other part, other than that of an independent Agreement. Accordingly, the Second party hereby agrees that the First Party shall accept no liability in Agreement or in tort or any responsibility for the acts, omissions, errors, or negligence of the Second party or other persons deriving authority from the Second party, and the Second party hereby undertakes, in the event that a claim is made or an adjudicating or arbitral body holds the First party liable, to fully indemnify the First party for all expenses (including without limitation all attorney's fees) arising out of or resulting from such claim, adjudication or arbitration. The Second party shall also indemnify and keep the First party harmless from all and any claims made by any third party with respect to any violation of any third party's Intellectual Property Rights.

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8. Unless otherwise agreed to or indicated in writing by the First party, the Second Party shall complete the Study Report to the satisfaction of the First party on or before the date mentioned in paragraph D of the Schedule.

9. The Agreement shall expire on the submission of the Final Study Report and the discharge of all obligations and liabilities of the Parties under the Agreement.

10. The First party shall have unlimited rights to technical or other data resulting directly from the performance of Study Report under this Agreement. It is agreed that all reports, drafts of reports, or other material, data, drawings, computer programs and codes associated with this Agreement and developed by the Second Party or its Report Team pursuant to this Agreement shall become the sole property of the First party. These materials shall not be copyrighted or patented by the Second party or the Report Team involved in this Agreement. However, articles of purely Academic/Scholarly interests, which in the opinion of the First party, are in the public interest to do so, may be published by the Second party with the prior approval of the First party after the Report of the First Party is duly submitted to the Governor. All documents referred to above shall, upon the completion of services or termination of this Agreement, be promptly surrendered to the First party by the Second party.

11. The Second Party and its Project Team shall, unless previously agreed to in writing by the First party, preserve strictly the confidentiality of all information or material relating in any way to the instant Agreement and shall not disclose any such information or material to any third party without the prior written consent of the First party. Nothing in this clause shall apply to information which has entered the

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public domain otherwise than as a result of a breach of this clause.

12. The First party may, but shall not be obliged to, provide the Second Party such documents and facilities which are within its control in collection of information essential to the performance of the Agreement. The request for such facilities shall be made in writing by the Second party along with the reasons therefore.

13. The First party may, upon giving not less than fifteen (15) days notice in writing to the Second Party, terminate this Agreement for cause if the Second Party has failed to perform the services or to comply with his other obligations under the Agreement.

14. If the present Agreement is terminated with cause as mentioned in paragraph 13 above by the First party, the Second Party shall be liable to refund all sums received under the Agreement to the First party.

15. The Parties shall make every effort to resolve any disagreement or dispute arising between them under or in connection with this Agreement amicably by direct informal negotiation.

16. If after thirty (30) days from the commencement of such informal negotiation the Parties have been unable to amicably resolve the dispute or difference, either Party shall require that such dispute be settled by arbitration in accordance with the Arbitration & Conciliation Act, 1996 – as present in force. The arbitration shall take place before a sole arbitrator, to be appointed by the First party in consultation with the Second party. The place of arbitration shall be Aizawl in Mizoram. The award shall be final and binding on both Parties and shall be in lieu of any other remedy.

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17. Except by mutual agreement made in writing between the Parties, no change, modification or amendment shall be made to this Agreement.

18. Notwithstanding the foregoing clause, the First party may at any time order or require changes in the scope of the services. If such changes add to, or reduce, the cost of the services, the Agreement Amount shall be adjusted accordingly.

19. Any communication, notification submission, notice, demand or request under this Agreement shall be deemed to have been duly transmitted if it shall have been delivered by hand, mail, cable, email, facsimile or telex by either party to the other at the following address:

(i) to the First Party:

Second Mizoram Finance Commission,

1<sup>st</sup> and 2<sup>nd</sup> Floor, Accounts & Treasuries building, Chanmari, Ramhlun Road

Aizawl, Mizoram

PIN - 796001

Email: mizofincom22@gmail.com

(ii) to the Second Party at:

Dr. James L.T. Thanga,

Associate Professor, Department of Economics,

Mizoram University

PIN – 796004

Email: jametea@yhao.com

or to such other address or facsimile number as is notified by the First party or the Second party to the other Party.

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20. This Agreement shall be governed by, and construed in all respects in accordance with the laws in India and any dispute arising thereto shall be subject to the jurisdiction of courts in Aizawl.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be signed in their respective names in two original counterparts in English on the date first above written.

  
**(LALMALSAWMA)**

First Party

&

Member Secretary  
2<sup>nd</sup> Mizoram Finance Commission

  
**(Dr. JAMES L.T. THANGA)**

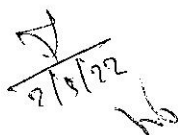
Second Party

&

Associate Professor  
Department of Economics  
Mizoram University

Place : Aizawl

Date : 2<sup>nd</sup> May, 2022

  
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**SECOND MIZORAM FINANCE COMMISSION**

**TOPIC OF STUDY: “Study on the devolution of funds to Rural Local Bodies, Urban Local Bodies and Autonomous District Councils including measures to strengthen their financial position”**

The Second Party to the contract will conduct the above study broadly providing an analysis of the finances of the local bodies in Mizoram on the basis of the terms of reference mentioned below but not restricted to it:

**A. Rural Local Bodies i.e. Village Councils (consisting of Village Councils under the State Government and Autonomous District Councils):**

- 1) To assess the devolution of funds including grants-in-aid to Village Councils for the years 2015-16 to 2021-22 on the basis of the recommendations of the 14<sup>th</sup>/15<sup>th</sup> Finance Commissions and 1<sup>st</sup> Mizoram Finance Commission including other transfers from the Central/State Government.
- 2) To appraise the own tax revenue and own non-tax revenue sources of the Village Councils for the years 2015-16 to 2021-22 and projections for the years 2022-23 to 2025-26.
- 3) To evaluate the revenue expenditure as well as capital expenditure of the Village Councils for the years 2015-16 to 2021-22
- 4) To forecast revenue expenditure as well as capital expenditure requirements of Village Councils for the years 2022-23 to 2025-26.
- 5) To suggest measures to strengthen the financial position of the Village Councils with special reference to the scope for levy of Property Tax and enable them to have financial autonomy.

**B. Urban Local Bodies:**

- 1) To assess the devolution of funds including grants-in-aid to urban local bodies for the years 2015-16 to 2021-22 on the basis of the recommendations of the 14<sup>th</sup>/15<sup>th</sup> Finance Commissions and 1<sup>st</sup> Mizoram Finance Commission including other transfers from the Central/State Government.
- 2) To appraise the own tax revenue and own non-tax revenue sources of the urban local bodies for the years 2015-16 to 2021-22 and projections for the years 2022-23 to 2025-26.
- 3) To evaluate the revenue expenditure as well as capital expenditure of the urban local bodies for the years 2015-16 to 2021-22.
- 4) To forecast revenue expenditure as well as capital expenditure requirements of urban local bodies for the years 2022-23 to 2025-26.

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- 5) To suggest measures to strengthen the financial position of the urban local bodies with special reference to the scope for levy of Entertainment Tax and enable them to have financial autonomy.

**C. Autonomous District Councils:**

- 1) To assess the devolution of funds including grants-in-aid to Autonomous District Councils for the years 2015-16 to 2021-22 on the basis of the recommendations of the 14<sup>th</sup>/15<sup>th</sup> Finance Commissions and 1<sup>st</sup> Mizoram Finance Commission including other transfers from the Central/State Government.
- 2) To appraise the own tax revenue and own non-tax revenue sources of the Autonomous District Councils for the years 2015-16 to 2021-22 and projections for the years 2022-23 to 2025-26.
- 3) To evaluate the revenue expenditure as well as capital expenditure of the Autonomous District Councils for the years 2015-16 to 2021-22.
- 4) To forecast revenue expenditure as well as capital expenditure requirements of Autonomous District Councils for the years 2022-23 to 2025-26.
- 5) To suggest measures to strengthen the financial position of the Autonomous District Councils including the scope for levy of Property Tax and enable them to have financial autonomy.

**D. Duration:** The total duration of the study would be **4 months** from the date of signing of the Agreement. Progress report supported by evidence of works shall be submitted by the Second Party to the Commission after the expiry of two months and the Final Report shall be submitted incorporating therein the suggestion/input, if any, made by the First Party.

**E. Cost:**

- 1) The total Agreement amount for the study project would be **₹4,00,000/-** (rupees four lakhs only) inclusive of all expenses covering lead researchers, stipends for research assistants, books, contingency, printing data collection, travel cost and institutional overheads.
- 2) The funds for the study will be released to the Second Party in three installments. The first installment amounting to ₹2 lakhs (rupees two lakhs only) will be released after signing the Agreement. The second installment amounting to ₹1 lakh (rupees one lakh only) will be released after submission of progress report supported by evidence of works. The third and final installment amounting to ₹1 lakh (rupees one lakh only) will be released after submission of the final report.
- 3) The Second Party shall indicate separately the proportion of the Agreement Amount towards expenses and towards professional fees/ charges etc. The payment shall be subject to all taxes/cess (including TDS), if any, payable. It is made clear that the First Party to the contract will not reimburse any other expenditure on Study Report over and above Agreement amount plus applicable taxes.

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