



JANAAGRAHA CENTRE FOR CITIZENSHIP & DEMOCRACY

Analytical Study - June 2018

Impact of Use of Managed Services in Tax Collection in Ranchi Municipal Corporation



SHAKTI
SUSTAINABLE ENERGY
FOUNDATION



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Shakti Sustainable Energy Foundation works to strengthen the energy security of India by aiding the design and implementation of policies that support renewable energy, energy efficient and sustainable transport solutions.



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Impact of Use of Managed Services in Tax Collection in Ranchi Municipal Corporation

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Submitted to:

**State Urban Development Agency,
Government of Jharkhand**

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CONTENTS



INTRODUCTION

06



STATE OF MUNICIPAL FINANCES IN JHARKHAND

10

- a. Overview 11
- b. Sources of Revenues 11
- c. Deep dive into own revenues 12



THE CASE OF RANCHI NAGAR NIGAM

14

- a. Background 15
- b. Impact of inadequate staffing 15
- c. Implementation of Public Private Partnership 16
- d. Impact on collection and coverage 18

	4	
	5	
	6	
CHALLENGES & RECOMMENDATIONS		20
a. Challenges of the Ranchi Model		21
b. Recommendations		22
CONCLUSION		24
ANNEXURE		26



INTRODUCTION

Lack of adequate financial resources and accountability at the ULB level directly impacts the quality of infrastructure and services. If the ULBs were to tap into their own revenue streams more efficiently, there is scope for achieving financial self-sufficiency and sustainability. The creation of a Municipal Financial Blueprint can be a positive step towards realising these goals.

India's urban infrastructure is estimated to require Rs.40 trillion of investments in a 20 year period from 2011 to 2031. Today, municipal revenues are approximately Rs.1.5 trillion and account for approximately 1% of the country's GDP as against 6%+ in Brazil, South Africa, etc. Of this Rs.1.5 trillion, own revenues (both tax and non-tax revenues) of ULBs are estimated at around a third, with a large chunk of municipal revenues coming from central and state government grants. However, even the Central and State Governments will be able to meet only a part of the capital requirement.

Lack of adequate financial resources (for both capital expenditure and operations and maintenance expenditure) and accountability for such financial resources directly impacts the quality of infrastructure and services. Creating a Municipal Finance Blueprint would help to achieve two goals for ULBs 1) financial self-sufficiency and 2) financial accountability as key enablers of transformation in quality of infrastructure and services. The six components of a Municipal Finance Blueprint are:

1. Integrated Institutional Design covering

- a. Integrated view of city's finances
- b. Integrated treasury management

2. Fiscal Decentralization covering:

- a. Widening of Municipal revenue base
- b. Control over tax rates and capital values, for revenue buoyancy
- c. Independence to Municipalities for budget setting and expenditure
- d. Greater powers to Municipalities to tap financial instruments such as Municipal Bonds

3. Revenue Optimisation covering:

- a. Review and reform of bases of assessments of municipal revenue streams
- b. Study and benchmark collection efficiencies across municipalities
- c. Review and optimise Return on Assets and balance sheet management

4. Fiscal Responsibility and Budget Management covering:

- a. Revenue optimization through improved collection efficiencies, higher Return on Assets
- b. Robust financial reporting
- c. Medium Term Fiscal Plans
- d. Better quality budgets
- e. Citizen participation in budgeting and civic works
- f. Robust internal controls and operational risk management

5. Transparency and Accountability covering:

- a. Laws that enable timely publication of financial and operational information in the public domain; redressal mechanisms for non-compliance

6. Institutional Capacities covering:

- a. Availability of adequately skilled human resources
- b. Information systems supporting the same

Looking at Fiscal Responsibility and Budget Management (point 4 in Blueprint), revenue optimization can help ULBs achieve self-sufficiency. Municipalities thus need to invest in improving the state of their own revenues. Presently, property tax forms the principle source of own revenue across most of the ULBs. However, there are indications that collection inefficiencies lead to reduced revenues. One of the reasons for these inefficiencies is the lack of institutional capacities (both human and technical). This study will focus on the experience of the Ranchi Nagar Nigam in addressing the Institutional Capacities component of the Blueprint enunciated above, and how their novel approach of outsourcing tax collection has helped improve their own revenues and enhance financial sustainability. The study has been done with the motive of learning from the challenges faced by Ranchi and building a sustainable and replicable best practice model.



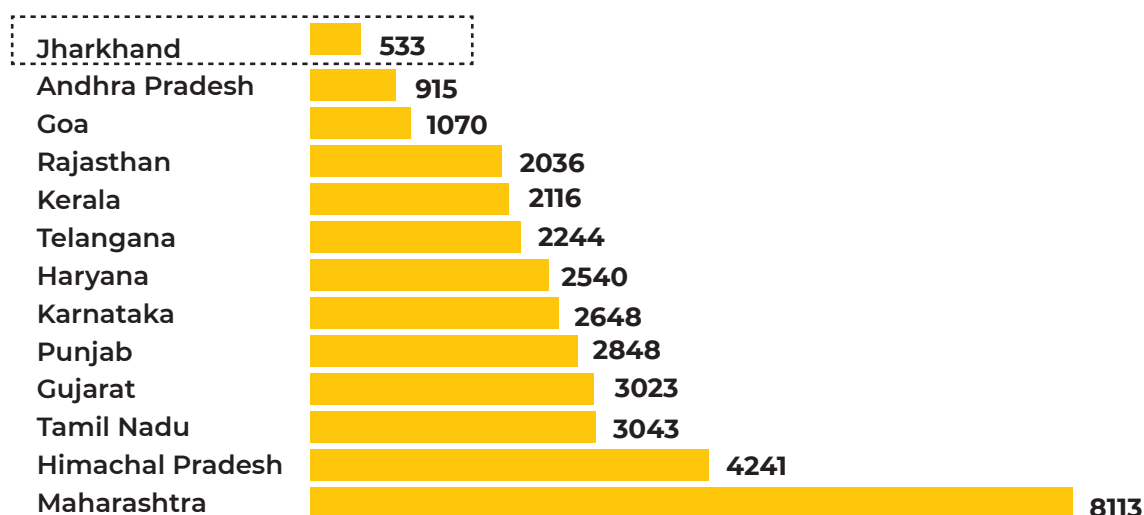
STATE OF MUNICIPAL FINANCES IN JHARKHAND

ULBs in Jharkhand meet 55% of their total expenses from State and Central government grants. Their per capita capital expenditure is one of the lowest in the country despite significant growth in urban population. The low percentage of collection to target ratio for all tax revenues indicates the collection inefficiencies prevalent across all ULBs. One reason for these inefficiencies is the acute shortfall in staffing of the revenue departments.

2.a Overview

In Jharkhand, there are 44 ULBs viz. six Municipal Corporations (M. Corps), 19 Municipal Councils (MCs), 16 Nagar Panchayats (NPs), one Nagarpalika and two Notified Area Committees (NACs). Jharkhand's urban population growth from 2001-11 was a whopping 24%. This has increased the need for capital expenditure by ULBs. However, the per capita capital expenditure in FY 17 was Rs. 533 which is one of the lowest in the country (Refer to Chart 1). This could partially be addressed by improving revenue generation in Jharkhand. A deep dive into the sources of revenue is presented in the next section.

Chart 1: Comparison of state wise Per Capita Capital Expenditure (in Rs.)



Source: CAG reports for all states except Jharkhand; Data for Jharkhand from audited Financial statements for FY 17 of 39 out of 44 ULBs

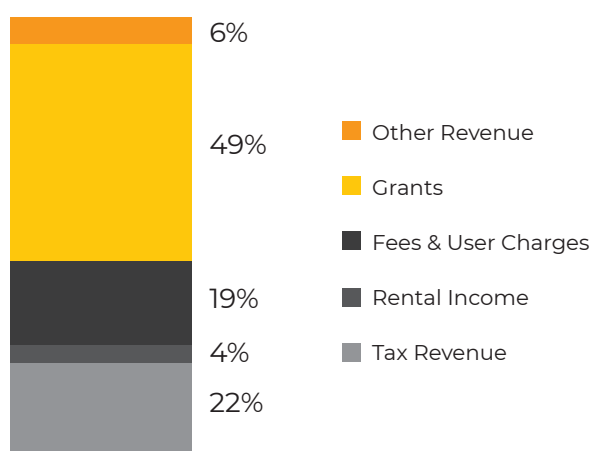
2.b Sources of Revenue

ULBs in Jharkhand are significantly dependent on Central and State Government grants- to the extent of 49% of total revenues, while tax revenues in the form of property tax (80% of tax revenue), water tax, etc. contribute only 22%. Fees and user charges contribute 19%, with rental income and other revenues (including income from interest) contributing 4% and 6% respectively. (Refer to Chart 2)

Furthermore, the Annual Technical Inspection Report on Local Bodies (2016) by the Accountant General (Audit) of Jharkhand states that revenues of ULBs through own sources against total receipts during 2011-12 to 2015-16 ranged from 9% to 14%, indicating that the ULBs were mainly dependent on grants.

In the context of low per capita capital expenditure done by Jharkhand, a boost in own revenues can further the goal of self-sufficiency and help in providing better quality of life to citizens.

Chart 2: Sources of Revenue



FY17

Source – ULB Financial statements

2.c Deep Dive into Own Sources of Revenue

Own revenues include tax revenues, rental income and fees and user charges and have contributed 55% of the total expenses (excluding depreciation) during FY17. Own revenue % is highest for Municipal Corporation at 68.7%, while notified area committees seem to heavily rely on grants for their day to day operations. (Refer to Table 1)

Table 1: Contribution of Own revenues to total expenditure (Rs in lakhs)

Own revenue % by ULB type

ULB Type	Own Rev	Total Exp	%
Municipal Corporation	12,212	17,786	68.7
Municipal Council	5,798	12,775	45.4
Nagar Panchayat	650	1,474	44.1
Notified Area Committee	875	3,325	26.3
Total	19,535	35,361	55.2

Table 2: Collection of Own Revenue against Demand (Rs in lakhs)

Year	Property Tax			Tax on Offensive or Dangerous Trade			Shop rent		
ULB Type	Target	Collection	% of Target	Target	Collection	% of Target	Target	Collection	% of Target
2011-12	1487	615	41%	5	0.58	12%	81	44	54%
2012-13	1983	471	24%	10	2.92	28%	124	92	74%
2013-14	2097	643	31%	11	2.12	20%	233	92	39%
2014-15	1910	627	33%	9	3.97	43%	237	89	38%
2015-16	2645	848	32%	11	3.9	35%	305	113	37%

Source: Annual Technical Inspection Report on Local Bodies 2016 by the Accountant General (Audit), Jharkhand

The poor collection efficiencies of own revenues as seen in the Table 2, is largely a result of the significant vacancies across all ULBs in the state. The CAG report points out that around 70 per cent of sanctioned posts were vacant (1,548 out of 2,212 as of 31 March 2016). Such short staffing, especially in revenue departments has a crippling effect on the ULB revenues. Firstly, it leads to gaps in enumeration due to which properties fall outside the tax net. Secondly, it causes shortfalls in assessment of enumerated properties and finally, shortfall in collection of dues against demand. Therefore in order to improve revenue collection it is imperative to plug the shortfall in staffing to improve coverage. (Refer to Table 3)

Table 3: Sanctioned vs Actual staff in positions in ULBs

ULB Type	Area	Sanctioned Strength	Filled	Vacancy %
Corporation	Chas	29	2	93%
Corporation	Deoghar	337	131	61%
Corporation	Sahibganj	210	61	71%
Municipality	Jugsalai	143	34	76%
Nagar Parishad	Adityapur	48	10	79%
Nagar Parishad	Chaibasa	139	43	69%
Nagar Parishad	Chatra	90	21	77%
Nagar Parishad	Dumka	224	35	84%
Nagar Parishad	Giridih	310	77	75%
Nagar Parishad	Gumla	36	10	72%
Nagar Parishad	Jhumritilaya	82	27	67%
Nagar Parishad	Madhupur	156	68	56%
Nagar Parishad	Medini Nagar	195	76	61%
Nagar Parishad	Chirkunda	12	1	92%
Nagar Parishad	Garhwa	44	15	66%
Nagar Parishad	Godda	21	21	0%
Nagar Parishad	Pakur	26	18	31%
NAC	Jamshedpur	55	7	87%
NAC	Mango	55	7	87%

Source: Annual Technical Inspection Report on Local Bodies 2016 by the Accountant General (Audit), Jharkhand

Collection inefficiencies is one piece of the larger puzzle that can help in improving own revenues in Jharkhand. Ranchi Nagar Nigam tried plugging these inefficiencies by outsourcing property tax collection to a third party private agency. This novel model adopted by Ranchi is the central use case for this report and is explored in detail in the next section.



3

THE CASE OF RANCHI NAGAR NIGAM

Ranchi entered into an agreement with a private agency for enumeration of properties and collection of property tax in 2014. Within a period of three years, the property tax collection in Ranchi increased more than fourfold and the number of properties brought under the tax umbrella jumped by 67%. The implementation of this initiative was not without its problems, but the results are promising enough to warrant further analysis.

3.a Background

Ranchi is the capital of the state of Jharkhand, and is the most populous city of the state. As of 2011 Census of India Ranchi Nagar Nigam has a population of 1,120,374, making it the 46th largest city in India. Ranchi also features under the Smart Cities Mission and AMRUT of the Government of India.

Like other ULBs in Jharkhand, Ranchi has limited sources of own revenue. Property tax is the most important individual revenue source for Ranchi. Property tax (also called general purpose tax or general tax) is a generic term, which often includes not only property tax but also a variety of service taxes and cesses, such as water tax, sewerage tax, scavenging tax, drainage tax, conservancy tax, education tax, fire tax, education cess and tree cess.

A good property tax system is predicated on five pillars-identification, inventory management, assessment, collection, and enforcement mechanisms. The Thirteenth Finance Commission estimated that the collection efficiency for property taxes for India stood at 37%. For Ranchi MC the collection efficiency ranged between 15 to 24 per cent. This shows that challenges existed in at least one if not more of the above mentioned pillars.

On further study, it was evident that deficiencies existed in the current system on account of inefficient assessment, information management and administrative systems. These deficiencies did not allow for full exploitation of the revenue potential. One of the root causes of this can be lack of institutional capacities which was analysed further.

3.b Impact of Inadequate Staffing

Ranchi Nagar Nigam was encumbered by inadequate number of tax collectors, and staffing has not kept pace with the growth in the number of properties in the city. Here we analyse the period of 2010-13, before Ranchi outsourced assessment and collection. During the period 2010 to 2013, the tax collections by Ranchi Nagar Nigam, remained stagnant at around Rs. 5 to 6 crores even as the city was growing rapidly. (Refer to Table 4)

Table 4: Property Tax Collection in Ranchi Nagar Nigam

FY	2010	2011	2012	2013
Property tax (Rs Cr)	5.5	6.0	5.3	5.9

Source: Ranchi Nagar Nigam

The inadequate number of tax collectors in the revenue department affected identification, assessment, collection and enforcement, leading to limited expansion of the tax base and poor collection efficiency from identified properties. (Refer to Table 5)

Table 5: Property Tax Collection in Ranchi Nagar Nigam: Key Figures

FY	2010	2011	2012	2013
Number of Tax collectors	26	23	22	22
Number of properties	86,000	89,000	92,000	94,000
Growth in assessment base	-	3 %	3 %	2 %
Number of Properties per collector	3,308	3,870	4,182	4,273

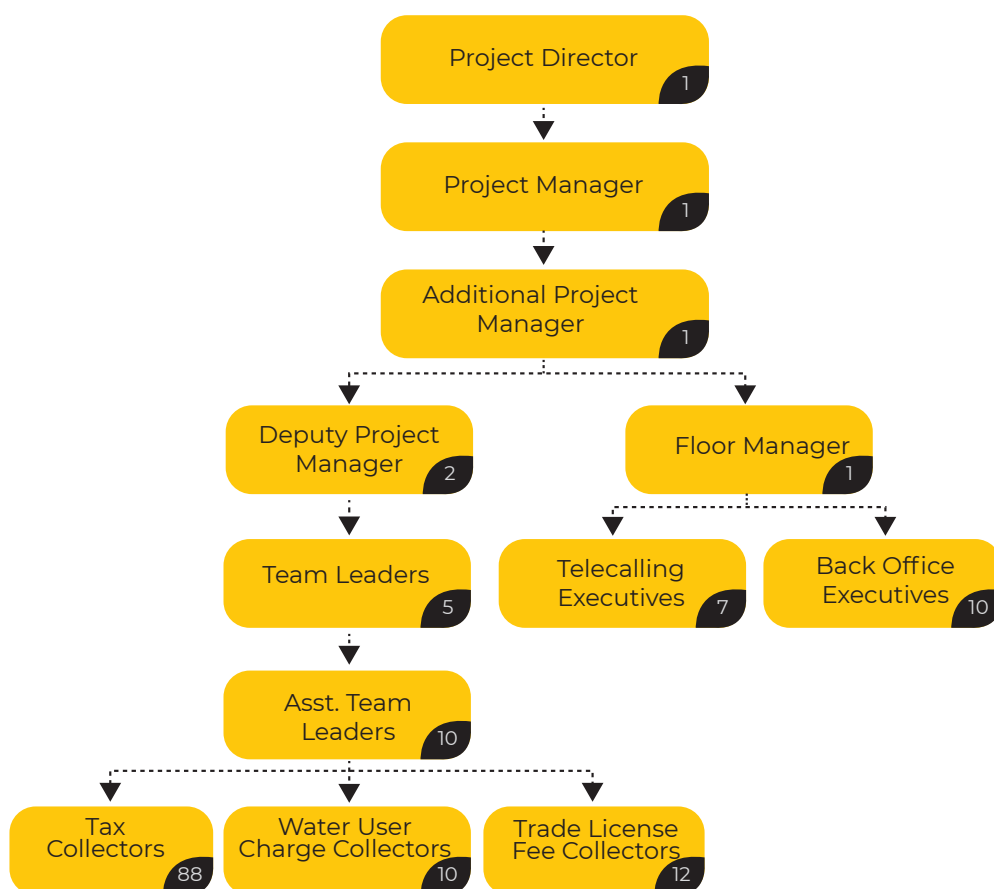
Source: Ranchi Nagar Nigam

In light of the inefficiencies articulated above, Ranchi Nagar Nigam decided to take a step towards plugging the inadequate staffing problem in the hope of taking care of 2 of the 5 pillars of a good property tax system namely, identification and collection.

3.c Implementation of Public Private Partnership

In 2014, Ranchi Nagar Nigam entered in an agreement with a private agency for providing managed services for collection of tax and other charges from properties within the jurisdiction of the ULB. An agency was selected through a tender process and entrusted with the task of Property Enumeration i.e. ascertaining and bringing more properties in the property tax ambit and Revenue Collection.

The private agency deployed a team of over 148 personnel, including supervisors and managerial staff, across the 55 wards in the city. These areas were earlier serviced by only 22 collectors. (Refer to Chart 3)

Chart 3: Organisation Chart of Project team in PPP Model for tax collection

Detailed process followed by the agency for collection is as follows-

» **Assessment of properties**

1. Collect required information and assess properties as per the self-assessment form provided by ULB in accordance with act, rules and regulations.
2. Develop a database as per the information received in the self-assessment form and update the same on current basis.
3. Update the database with other information including last payment details and photocopy of Receipt collected from owners and generate Unique Property ID under the supervision of ULB officials.

» **Collection**

4. Generate demand notice in real time using handheld devices linked with back office and banking records.
5. Collect Cash / Cheque / Demand Draft from assessee.
6. Print the Receipts in triplicate for: Assessee /ULB/Agency.
7. Update database in real time and issue SMS confirmation with details of amount received and mode of payment.

» **Funds Deposit**

8. Deposit the collected Cash/Cheques/Demand Drafts within 24 hours from the time of collection to the approved ULB account.
9. Generate SMS of deposit of Cash or clearance of Cheque to assessee and report to ULB.

» **Grievance Redressal**

10. Set up an Online Helpline, Chat, SMS and Telephonic service during working hours, for grievance redressal
11. Maintain complete audit trail about the recorded feedback/grievances/enquiry to ULB periodically.

» **Information Management**

12. Maintain record of payment history in digital format.
13. Maintain a DCB (Demand Collection and Balance) format and report the same to ULB.
14. Provide Web Based Dashboards for ULB staff and Management for viewing the completed/pending tasks and able to generate various reports related to assessment, demand, balance and collection etc.

3.d Impact on Collection and Coverage

These steps drastically enhanced the coverage of properties by each tax collector. The number of properties to be covered by each tax collector dropped significantly from 4,273 to around 873 on average. This enabled better coverage and follow up by the collector which was not feasible earlier. (Refer to Table 6)

Table 6: Property Tax Collection in Ranchi Nagar Nigam through PPP: Key Figures

FY	2014	2015	2016	2017
Number of Tax collectors deployed by Agency	110	110	110	110
Number of properties	96,000	100,000	103,000	160,000
Growth in assessment base	2%	4 %	3 %	55 %
Number of Properties per collector	873	909	936	1,455

Source: Ranchi Nagar Nigam

Within a period of 3 years the property tax collection in Ranchi increased more than fourfold from 9 crores in 2014 to 43 crores in 2017. (Refer to Table 7)

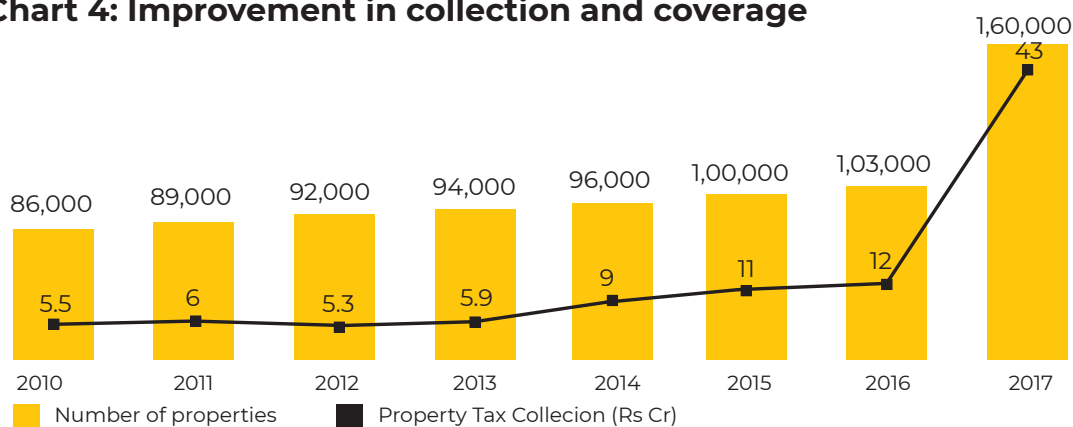
Table 7: Improvement in Property Tax Collection in Ranchi Nagar Nigam through PPP

FY	2014	2015	2016	2017
Property tax (Rs Cr)	9	11	12	43

Source: Ranchi Nagar Nigam

The assessment base of properties under the tax next jumped from 96,000 properties across all wards to 1.6 lac properties, a growth of 67 per cent. (Refer to Chart 4)

Chart 4: Improvement in collection and coverage



Better coverage and professional supervision resulted in a significant jump (CAGR of 27% in 8 years) in the collection of revenues for Ranchi Nagar Nigam.

As per the financial terms of agreement, the agency had to be paid 15% of the total collections subject to target achievement. (Refer to Table 8)

Table 8: Improving trend in Tax collection

Division	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Tax Revenue (Rs)	55	6	53	59	9	11	12	43
Cost of Collection (Agency Fee)					14	17	18	65
Net Revenue	55	60	53	59	77	94	102	366
Growth		9%	-12%	11%	30%	22%	9%	258%

Note- It is observed that the impact on value and volume of collection was much higher in FY'17 while the growth was comparatively flatter from FY14 to FY16. As per the information shared by the agency, the possible reasons for this could be-

- When the agency was on boarded, the poor quality of the property records posed significant challenges to the field staff in identifying the right addresses. The records had no address details or contact information such as phone numbers, PIN code. They were mostly limited to property owner name and ward name.
- For the first few years, the agency was asked to focus on cleaning up the existing database and fill in the missing information such as phone numbers, detailed addresses etc.
- It is only in the third year of the project (FY 2016-17), that the agency focused on increasing the assessment base by identifying properties that were not part of the database. This resulted in significant increase in tax collection in 2016-17.

Also, there is no available information on collection split by pending vs. current demand which can also corroborate for the steep rise in collection in FY 17. This data should be maintained and shared for a better understanding of the impact of outsourcing.



4

CHALLENGES AND RECOMMENDATIONS

Challenges exist in the model adopted by Ranchi MC like delay in payments to the agency, cash handling risk, resistance of citizens to outsourcing, etc. Using a more digitally informed model like using GIS system for enumeration and assessment, encouraging digital payments as opposed to cash collection and making payment reports available in the public domain can help reduce the risks and make it a more sustainable and replicable model.

4.a Challenges Of The Ranchi Model

Despite the significant success demonstrated by the increase in collections, several challenges exist which if plugged can make it a sustainable model.

1. **Delay in payments to the Agency:** Given the resource driven nature of the project driven by paid field personnel, any delays in payments affects the cash flow of the operation and therefore payments to the ground staff. This may not only impact the efficiency of the staff but also impact the process of regular follow ups and closure of payments.
2. **Dependence on door to door collection:** Offering citizens to door step pick up of payments could lead to the unfortunate consequence of building dependence on this service. If this service is discontinued at a future date, citizens are likely to discontinue regular payments. Encouraging digital payments over door to door cash collection could be an effective solution. More details are provided in recommendations.
3. **Cash handling risk:** The field personnel handle significant amounts of cash on a daily basis which increases the risk of theft, loss and pilferage. Encouraging digital payments over door to door cash collection could be an effective solution. More details are provided in recommendations.
4. **Resistance to outsourcing:** Years of laxity in tax collection has resulted in significant number of properties being left out of the tax net and a culture of non-payment of taxes is likely to have set in among citizens. Engagement of a private agency to increase the tax net has resulted in inclusion of properties that were hitherto not paying any taxes for many years. Many citizens are also likely to take umbrage at frequent follow-ups, reminders and other collection practices by the agency staff. This has resulted in a build-up of resistance against outsourcing including political objections.
5. **Inefficient method of Identifying property:** The online dashboards and reports maintained by the agency provide information on revenue collections at an aggregate level, however it does not provide data at the level of individual property. Use of a GIS based system to identify and provide a unique id would help to track collections at the property level and improve efficiency in the long term. More details provided in recommendations.

4.b Recommendations

Current Practice	Recommended Improvements
Assessment of Properties	
Collect required information and assess properties as per the self-assessment form provided by ULB in accordance with act, rules and regulations.	Use GIS based system to identify all properties and provide a unique id to map each property and track collections at individual property level
Develop an online application/software, create and update the database on current basis from physical assessment forms received by ULB.	Make the reports available in the public domain
Enter and update the software system in respect of assessment and other information including last payment details and photocopy of Receipt collected from owners and generate Demand and Unique Property ID under the supervision of ULB officials.	Mandatorily collect and update database with contact information such as mobile number, email id for all properties.
Collection	
Collect Cash / Cheques / Demand Drafts from assessee.	<ul style="list-style-type: none"> • Recommend ceasing of cash collection by agency staff to encourage digital payments by citizens through mobile wallets or online payment to the Municipality directly. • Agent to facilitate / assist online payment at door step. • Cash payment to be accepted at collection centres managed by Municipalities only • The agency should continue to be paid for total collections irrespective of the channel of payment, which would incentivize them to encourage online payments

Current Practice	Recommended Improvements
Funds Deposit	
Deposit the collected Cash/Cheques/ Demand Draft within 24 hrs. from the time of collection to the approved ULB account.	Cash collection to be discontinued
Grievance Redressal	
Set up an Online Helpline, Chat, SMS and Telephonic service during working hours, for grievance redressal	<ul style="list-style-type: none"> Strengthen call center and increase responsibilities to proactively call, remind and encourage citizens to pay tax online Categorize accounts into soft, medium and hard as well as high value and low value based on pendency of tax dues, tax amount Customize frequency of engagement and tone and tenor of communication based on the categorization (for eg: VIPs, wilful defaulters, corporates, etc)

An aerial photograph of a city, likely Ranchi, India, showing a dense urban landscape with numerous multi-story apartment buildings and lush green trees. The sky is overcast and grey. A large yellow bracket graphic is positioned to the left of the section header.

5

CONCLUSION

Cities should sharply focus on improving collection efficiencies, explore technology and outsourcing solutions to enable the same. The promising results of the Ranchi model display a case for engaging private agencies in running daily operations of the ULBs. A more digitally informed approach can make the existing model more sustainable.

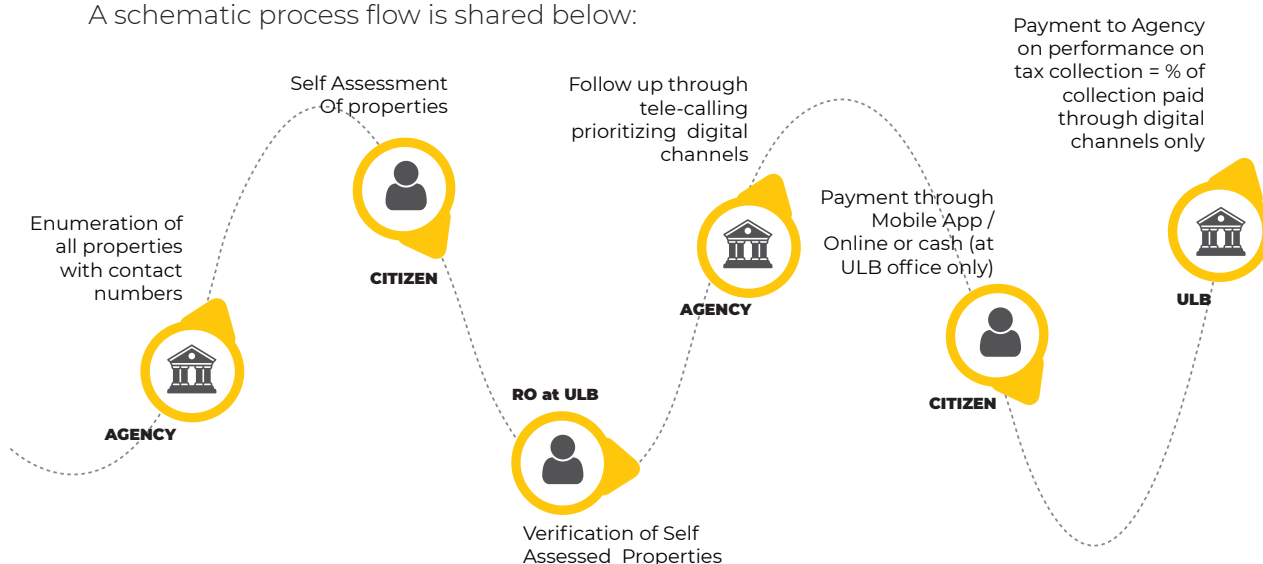
A good property tax system is predicated on five pillars-identification, inventory management, assessment, collection, and enforcement mechanisms. Arguably the single most important governance issue for India's cities presently is that of urban capacities, which impacts all the five pillars mentioned above. Huge vacancies in ULBs is a widely prevalent issue across all states in India.

The HR policies are often outdated and HR systems and processes broken. Huge vacancies exist against sanctioned posts, which themselves in many cases have not been updated in a scientific manner commensurate with the growth of cities.

Engaging a private agency has significantly enhanced revenue collections for Ranchi Nagar Nigam. However, there persists concerns regarding cash handling by non-government staff at a large scale. This entails risks such as extortion risks, citizen safety, corruption, embezzlement etc. As an alternative to door to door cash collection by outsourced staff, Ranchi MC can rework the terms of the engagement with the agency to facilitate payment by citizens through digital channels only.

The agency would be tasked with encouraging citizens to pay their tax through digital means through outbound calling, SMS reminders etc. Cash payment by citizens to be restricted to offices or centres run by the ULB.

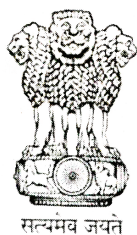
A schematic process flow is shared below:



Cities should sharply focus on improving collection efficiencies, explore technology and outsourcing solutions to enable the same. Several functions such as account management, bill collection, garbage collection, and IT services can be outsourced to professional agencies, ensuring that a transparent process is in place for awarding of such contracts and a robust mechanism for monitoring and performance measurement is put in place.

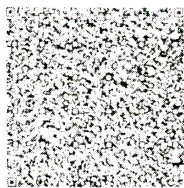
The experience of Ranchi Nagar provides an excellent opportunity for other cities to learn from and replicate.

ANNEXURE-THE AGREEMENT BETWEEN RANCHI MUNICIPAL CORPORATION AND M/S SPARROW SOFTECH PVT. LTD.



INDIA NON JUDICIAL Government of Jharkhand e-Stamp

Certificate No. : IN-JH06755829725517P
Certificate Issued Date : 04-Aug-2017 12:05 PM
Account Reference : NONACC (FI)/ jhdopjc07/ DORANDA/ JH-RNC
Unique Doc. Reference : SUBIN-JHJHDOPJC0709690562391431P
Purchased by : SPARROW SOFTECH PVT LTD
Description of Document : Article 5 Agreement or memorandum of an Agreement
Property Description : AGREEMENT
Consideration Price (Rs.) : 0
(Zero)
First Party : RANCHI MUNICIPAL CORPORATION
Second Party : SPARROW SOFTECH PVT LTD
Stamp Duty Paid By : SPARROW SOFTECH PVT LTD
Stamp Duty Amount(Rs.) : 500
(Five Hundred only)



.....Please write or type below this line.....

AGREEMENT

This AGREEMENT is made on 13/08/2017 at the office of the RANCHI MUNICIPAL CORPORATION through ADDITIONAL MUNICIPAL COMMISSIONER, RANCHI MUNICIPAL CORPORATION, RANCHI, JHARKHAND, having its office at, Kutchary Road, Ranchi, Jharkhand PIN - 834 001 (hereinafter referred to as "FIRST PARTY"), which expression, unless repugnant to the context or meaning thereof, shall include its successors and assigns, party of the FIRST PART;



अपर नगर आयुक्त
राँची नगर निगम,
राँची

0000534394

AND

M/s Sparrow Softech Pvt Ltd., (hereinafter called as SECOND PARTY i.e FIRM) registered in India under Companies act 1956, having its registered office at H-117, Level II & III, Near Sehjanand Chowk, Harmu Housing Colony, Ranchi-834002, Jharkhand, which expression, unless repugnant to the context or meaning thereof, shall include its successors and assigns, party of the **SECOND PART**;

WHEREAS

Municipal Commissioner, Ranchi Municipal Corporation invited proposal for "*Selection of Firm/Agencies for Assessment Collection and Recovery of House Tax, Municipal License Fee & Water User Charge in Municipal Area under RMC.*"

- A. After finalization of Tender process for above mentioned work the firm, has been selected and awarded with the Letter of Acceptance, **Letter No. 1887** ,dated **05/08/2017** for this work.
- B. The firm in compliance to the requirement has accepted the LOA of RMC for the work.
- C. Duration of Agreement: The contract of engaged Firm will be for three years from the date of agreement. However, the period of agreement may be renewed for another three years if the work of the Firm is found satisfactory at the sole discretion of RMC.

Now the agreement witnessed follows:

ARTICLE 1

Definitions:

"Affected Party" shall mean the party claiming to be affected by a force Majeure Event in accordance with article 13.

"Agreement" shall mean this agreement and includes any amendments hereto made in accordance with the provisions hereof.

"Applicable Law" shall mean all laws in force and effect, as of the date hereof, and which may be promulgated or brought into force and effect hereinafter in India including judgments, decrees, injunction, writs or order of any court of law, as may be in force and effect during the subsistence of this agreement and applicable to the project.

"Appointed Date" shall mean the date of this agreement.

"Authorized Representative" means, in respect of a party, any person designated (whether by same or as the holder of a specified position or office) as such party by notice in writing

UP 0000534394/ UP 0000534395 Page 2

Saurabh
Sparrow Softech Pvt Ltd.

अपर नगर आयुक्त

signature of that person certified by the Party issuing the notice.

"Contract Period" shall mean the the duration of agreement.

"Contractor's Equipment" means all machinery, apparatus and other thing (other than Temporary Works) required for the execution and completion of the Works and the remedying of any defects, but does not include plant, Materials or other things intended to form or forming part of the Permanent Works.

"Consortium" means group of entities coming together to implement the Project;

"Contract" means the Contract signed by the Parties and all the attached documents listed in the RFP; that is the General Conditions (GC), the Special Conditions (SC) by which the GC maybe amended or supplemented, and the Appendices.

"Day" means calendar day.

"Firm/Agency" means M/s Sparrow Softech Pvt Ltd which will provide the Services to the RMC under the Contract.

"Government" means the Government of Jharkhand.

"Financial Year" shall mean the period commencing from April 1 of any given year to March 31 of the succeeding year.

"Force Majeure" or Force Majeure Event "shall mean an act, event, condition or occurrence as specified in Article 13.

"RFP" means the Request for Proposal against which FIRM has been selected.

"Rupees" or "Rs", refers to the lawful Currency of the Republic of India.

"Services" mean the work to be performed pursuant to the Contract.

"RMC" means Ranchi Municipal Corporation

"Terms of Reference" (TOR) means the document included in the RFP as a Section which explains the objectives, scope of work, activities and tasks to be performed, respective Responsibilities of the Client and the Consultant, and expected results and deliverable of the assignment.

"Termination" shall mean early termination of the Concession, pursuant to Termination Notice of otherwise in accordance with the provisions of this Agreement but it shall not, unless the context otherwise requires, include expiry of this Agreement due to efflux of time in the normal course.

"Termination Date" shall mean the date specified in the Termination Notice as the date on which Termination occurs.

"Termination notice" shall mean the notice of Termination by either Party to the other Party, in accordance with the applicable provisions of this Agreement.

"RMC Limits" means the whole urban area falling within the jurisdiction of the RMC as the

UP 0000534394/ UP 0000534395 Page 3

Saurabh
Sparrow Softech Pvt Ltd
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Government of Jharkhand may by notification specify from time to time and includes, inter-alia, all **wards** under jurisdiction of RMC.

ARTICLE 2

CONFLICT OF INTEREST

RMC requires that Firms provide professional, objective, and impartial advice and at all times hold the Client's interests paramount, avoid conflicts with other assignments or their own corporate interests and act without any consideration for future work. Firm shall not be recruited for any assignment that would be in conflict with their prior or current obligations to other clients, or that may place them in a position of not being able to carry out the assignment in the best interest of the RMC.

ARTICLE 3

SCOPE OF WORK

The scope of work for the Firm ie Second Party shall be as indicated below;

- i) Collect the required information and assess the individual, commercial, apartment, Government Buildings & Bulk Holding Properties/trade/water users as per the Self-Assessment Form provided/ approved by RMC in accordance with act, rules & regulation.
- ii) Update, Upgrade if required & maintain the Existing Software System of Property Tax, Water User Charges and Municipal License running at RMC level in complete accordance with relevant act, rules & regulation.
- iii) Updating of digitized software Demand on current basis from physical assessment/ Self-Assessment Forms received by RMC.
- iv) Enter and update the digitized System in respect of Assessment as per policy laid by RMC.
- v) Where property Owner refuses to co-operate with the engaged agency for correct assessment flag the digitized system accordingly;
- vi) Indicate the reasons why the Assessment and/or collection could not be done indicating specific reason like "Non- co-operation by Assessee" with date(s) of visits/ follow ups in the Digitised PT system;
- vii) Print Challan/Receipt in triplet;
- viii) Collect Cash/Cheques/Demand Drafts from assesses as demand mentioned in generated Challan/Receipt Use handheld devices for generation of instant receipts linked with back office operations and for banking records.
- ix) The Firm has to make provisions of mobile app for tax payer where tax payer can see profile information along with payment details, dues details and able to pay taxes from mobile app also.

UP 0000534394/ UP 0000534395 Page 4

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अपर नगर आयुक्त
रौंघी नगर निगम,

- x) Deposit Cash, Cheques/Demand Drafts in approved accounts within 24 hours
- xi) Engaged Firm/agency shall provide one copy of Challan/Receipt with requested MIS to RMC on weekly basis;
- xii) Update the digitized database of RMC on current basis with payment detail, after cash is deposited and/ or cheques are realized;
- xiii) Make arrangement for sending SMS through system to the assessee's mobile number on real time basis as soon as payment enters in digitized system;
- xiv) Obtain a photocopy of the actual last payment made by assessee and keep safe this record in digitized form and ensure that the digitized system is updated with all payment details;
- xv) Ensure that payment is received through strict compliance and strict enforcement of all procedures as per Jharkhand Municipal Act 2011,
- xvi) Use Recovery Processes through assigned Nodal Officer from RMC for signing Notices etc.;
- xvii) Refer the disputes by the Tax payers regarding Assessment and demand of House Tax and/or Vacant Land Tax to the RMC for resolution;
- xviii) Set-up a help-desk, on-line as well as telephone service during working hours, for facilitating citizens of RMC to provide information on collection process, dues etc. and register grievances raised by citizen against any discrepancies. This help-desk shall also provide information about payments made by tax/non-tax payers. Collection agency shall maintain complete audit trail about the recorded feedback/grievance/enquiry Collection agency shall make available all information related to feedback/grievance/enquiry to RMC periodically and as and when required.
- xix) To integrate a SMS Gateway with E-Gov., so that if assessee wants to prefix appointment, he may Call, SMS E-Gov. Cell, in turn the agency will be informed about the preferred time of visit.
- xx) The engaged Firm/agency shall take the meter reading from the water user consumer for generation of water bill.
- xxi) All the digitized system should use standard Database MS-SQL server with proper documentation of database with all the rights and license to RMC. The customized software and its source code which will be written in standard coding rules followed in IT industry shall be the property of Ranchi Municipal Corporation. The code must be security audited and the wire diagram of each module must be properly documented. All the applications and database shall be on the reputed cloud server and it's the responsibility of the firm/agency to maintain the cloud server. The license of cloud server along with administrative rights will be with the RMC. RMC may give access to the agency to the cloud server for its maintenance. RMC will not pay any charges for purchasing & maintaining the cloud server during the contract period.



अपर नगर आयुक्त
रॉंची नगर निगम,
रॉंची

- xxii) The engaged firm shall provide web based dashboard for RMC staff & management for viewing the completed/pending tasks and able to generate the various report related to assessment, demand, collection etc. It's should be customizable based on requirements and the engaged firm should make it available without any delay. The dashboard should comply all the provisions of Ease of Doing Business of the State of Jharkhand.
- xxiii) The revenue sharing with agency will be done only on the amount collected through door to door collection through hand held device and through citizen service center established by firm/agency at their own cost only.
- xxiv) The engaged firm shall maintain different teams for all the three services i.e. Property Tax, Municipal License & Water User charge and Must Submit the Manpower Deployment Plan along with the agreement before executing agreement.

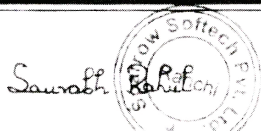
ARTICLE 4

ROLES & RESPONSIBILITIES

A. RMC

- i. Assist the Firm in getting ID cards, duly signed by MUNICIPAL COMMISSIONER, within stipulated time;
- ii. Make available all Enactments, Rules and Regulations Related to Assessment, Collection and Recovery of Tax and Non-Tax along with amendments from time to time ;
- iii. Make available Self-Assessment/other Form, as applicable;
- iv. Make available copies of all standard SA forms, filled in by Assesses, as per Jharkhand Municipal Act 2011
- v. The latest details of roads as Principal , Main and others categories and as and when amended with effective dates;
- vi. All information about Assesses with RMC in respect of House Tax, Municipal License, Water User
- vii. Digitized data base in any form, if available;
- viii. GIS and contact survey details, if and when available;
- ix. Designate one officer , authorized by MUNICIPAL COMMISSIONER, to sign all letters and notices to be issued on behalf of RMC by the firm/agency to the assesses for assessment, collection or recovery processes;
- x. Details of Bank accounts of RMC where collections are to be deposited on timely basis; and
- xi. Give reasonable and lawful Assistance to the agency, to achieve results against duties as stipulated in the "Scope of Work".

UP 0000534394/ UP 0000534395 Page 6

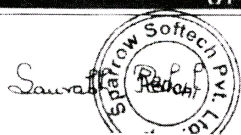


अपर नगर आयुक्त
राँची नगर निगम,
राँची

B. FIRM

- I. Collect the required information and assess the individual, commercial, apartment, Government Buildings & Bulk Holding Properties/trade/water users as per the Self-Assessment Form provided/ approved by RMC in accordance with act, rules& regulation.
- II. Update, Upgrade if required & maintain the Existing Software System of Property Tax, Water User Charges and Municipal License running at RMC level.
- III. Updating of digitized software Demand on current basis from physical assessment/ Self-Assessment Forms received by RMC.
- IV. Enter and update the digitized System in respect of Assessment as per policy laid by RMC.
- V. Where property Owner refuses to co-operate with the engaged firm for correct assessment flag the digitized system accordingly;
- VI. Indicate the reasons why the Assessment and/or collection could not be done indicating specific reason like "Non- co-operation by Assessee" with date(s) of visits/ follow ups in the Digitised PT system;
- VII. Print Challan/Receipt in triplet;
- VIII. Collect Cash/Cheques/Demand Drafts from assesses as demand mentioned in generated Challan/Receipt Use handheld devices for generation of instant receipts linked with back office operations and for banking records.
- IX. make provisions of mobile app for tax payer where tax payer can see profile information along with payment details, dues details and able to pay taxes from mobile app also.
- X. Deposit Cash, Cheques/Demand Drafts in approved accounts within 24 hours
- XI. shall provide one copy of Challan/Receipt with requested MIS to RMC on weekly basis;
- XII. Update the digitized database of RMC on current basis with payment detail, after cash is deposited and/ or cheques are realized;
- XIII. Make arrangement for sending SMS through system to the assessee's mobile number on real time basis as soon as payment enters in digitized system;
- XIV. Obtain a photocopy of the actual last payment made by assessee and keep safe this record in digitized form and ensure that the digitized system is updated with all payment details;
- XV. Ensure that payment is received through strict compliance and strict enforcement of all procedures as per Jharkhand Municipal Act 2011;
- XVI. Use Recovery Processes through assigned Nodal Officer from RMC for signing Notices etc.;
- XVII. Refer the disputes by the Tax payers regarding Assessment and demand of House Tax and/or Vacant Land Tax to the RMC for resolution;
- XVIII. Set-up a help-desk, on-line as well as telephone service during working hours, for facilitating citizens of RMC to provide information on collection process, dues

UP 0000534394/ UP 0000534395 Page 7



अपर नगर आयुक्त
राँची नगर निगम,
राँची

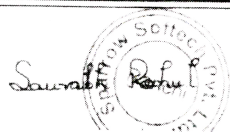
etc. and register grievances raised by citizen against any discrepancies. This help-desk shall also provide information about payments made by tax/non-tax payers. The firm shall maintain complete audit trail about the recorded feedback/grievance/enquiry Collection firm shall make available all information related to feedback/grievance/enquiry to RMC periodically and as and when required.

- XIX. To integrate a SMS Gateway with E-Gov.; so that if assessee wants to prefix appointment, he may Call, SMS E-Gov. Cell, in turn the firm will be informed about the preferred time of visit.
- XX. The engaged firm shall take the meter reading from the water user consumer for generation of water bill.
- XXI. All the digitized system should use standard Database MS-SQL server with proper documentation of database with all the rights and license to RMC. The customized software and its source code which will be written in standard coding rules followed in IT industry shall be the property of Ranchi Municipal Corporation. The code must be security audited and the wire diagram of each module must be properly documented. All the applications and database shall be on the cloud server prescribed by RMC and it's the responsibility of the to maintain the cloud server. However the license of cloud server along with administrative rights will be with the RMC. RMC may give access to the firm to the cloud server for its maintenance. RMC will not pay any charges for purchasing & maintaining the cloud server during the contract period.
- XXII. shall provide web based dashboard for RMC staff & management for viewing the completed/pending tasks and able to generate the various report related to assessment, demand, collection etc. It's should be customizable based on requirements and the engaged Firm should make it available without any delay. The dashboard should comply all the provisions of Ease of Doing Business of the Jharkhand State.
- XXIII. The revenue sharing with firm/agency will be done only on the amount collected through door to door collection through hand held device and through citizen service center established by firm/agency at their own cost only.
- XXIV. Shall maintain different teams for all the three services i.e. Property Tax, Municipal License & Water User charge and Must Submit the Manpower Deployment Plan within a week of the agreement. Key Personnel engaged in this project shall not be changed by the firm without prior permission of RMC.

ARTICLE 5

Dispute Resolution: The Parties shall first submit any dispute or disagreement between the Parties arising out of or relating to and/or in connection with this Agreement or Scope of Work which is not a Material Breach of this Agreement (a "Disputed Matter") to the Municipal Commissioner, Ranchi Municipal Corporation and the decision given by Municipal

UP 0000534394/ UP 0000534395 Page 8



अपर नगर आयुक्त
रौंछी नगर निगम,
रौंछी

Commissioner shall be final and binding.

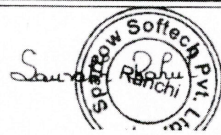
Any other dispute concerning a material breach of this agreement shall be in the jurisdiction of appropriate courts of law at Ranchi.

ARTICLE 6

General Terms and Conditions:

- i) The engaged Agency shall be issued an appropriate Identity Card and also an Authorization letter by the RMC, within 7 days of the signing of the contract. The Agency should display the Identity Card with Photographs issued by the Agency and copy of Authorization letter issued by the RMC before entering any tax and non-tax payer's premises. The Authorization Letter should mention prominently that the Agent/Agency is authorized to assess, take recovery actions as per Regulations and collect the outstanding dues of Property Tax and/or Vacant Land Tax/Water User Charges/Municipal License Fees only by Cash/Cheque/DD/Online Payment.
- ii) The Agency shall be authorized to collect payment through an Account Payee crossed Cheque or DD only drawn in favour of "Municipal Commissioner, RMC. The agency shall not receive any Cheque / Draft in their names.
- iii) During the course of interaction with the tax and non-tax payers, Agency or their representatives may come across cases where the tax and non-tax payers have already paid. In such cases Agent/Agency will politely request the customers to provide suitable evidence of payment (e.g. a photocopy of the entry in his/her Bank Pass Book or of a receipt issued by the office where paid). The engaged Agency will reassess the property and compare the payment amounts and actual due tax as per system generated Challan and collect the differential amounts, if any, after providing the Challan copy to the assessee.
- iv) If assessee is not able to provide any evidence to the agency relating to last payment of tax. The engaged firm/agency will collect current dues and a declaration from assessee about no arrear. The firm/agency will transfer the collected information along with declaration to the RMC for final assessment.
- v) The engaged Firm/Agency will not be entitled for receiving any commission on tax or non-tax collected by other means.
- vi) The engaged Firm/Agency or their representatives shall be held personally responsible for any risks while pursuing the assignment under this agreement.
- vii) Any serious complaint against the firm/agency or their representatives that is substantiated shall result in immediate cancellation of the contract including black listing of the firm/agency for future business with RMC, forfeiture of the security deposit.
- viii) RMC shall be free to take any action (including legal recourse) and payment deductions as deemed fit against the firm/agency for its failure to follow the terms and conditions of the contract.

UP 0000534394/ UP 0000534395 Page 9



अपर नगर आयुक्त
राँची नगर निगम,
राँची

- ix) The employees engaged by the firm/agency in relation to collection services to be rendered to the RMC shall be the sole responsibility of the firm/agency as to their cost and consequences arising out of their engagement or conduct or any act of commission or omission.
- x) The engaged firm/agency or their representatives, its Partners, Employees, and / or any affiliates shall be jointly and severally responsible and liable to the RMC for any loss arising out of any misappropriation / embezzlements / misuse or for any omission or for any act of negligence and the collection firm/agency or their representatives shall indemnify RMC for the same.
- xi) The engaged firm/agency or their representatives shall not enter into any compromise negotiation with the defaulting tax payers without the express written permission of the RMC.
- xii) The attested photographs of field personnel would need to be updated periodically by engaged firm/agency.
- xiii) The RMC shall not be liable to pay any remuneration or compensation or any other charges or expenses, taxes or levies etc. to the firm/agency or any of its personnel except the percentage commission agreed to be paid by the RMC under the agreement.
- xiv) Neither the firm/agency nor any of the personnel engaged by the firm/agency for the purpose of the services whether owner, director, partner, employee, shall have employee and employer relationship with the RMC. This contract is strictly on Principal to Principal basis.
- xv) The firm/agency shall ensure strict compliance of EPFO & MP Act 1952 and ESIC provisions and all other existing statutory provisions and shall provide the proof of compliance to RMC monthly.
- xvi) The firm/agency shall not assign/ outsource the rights and obligation under this agreement without the express written permission of RMC.
- xvii) The work of the firm/agency and their staff would be monitored by RMC.

ARTICLE 7

SECURITY DEPOSIT

The consultant will furnish within 10 days of the issue of Letter of Acceptance (LOA), an Account Payee Demand Draft Unconditional Bank Guarantee (in prescribed format)/ in favour of "Municipal Commissioner, Ranchi Municipal Corporation" payable at Ranchi, Jharkhand, from any nationalized or scheduled commercial Bank in India for an amount equivalent to 25,00,000 (Twenty Five lacs) towards Security Deposit valid for a period of thirty six (36) months beyond the stipulated date of completion of services. The Bank

UP 0000534394/ UP 0000534395 Page 10

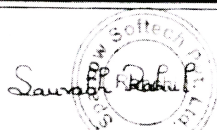


अपर नगर आयुक्त
राँची नगर निगम,
राँची

- a) The firm shall help in execution of demand notices, receipt of payment and maintaining government transaction and database.
 - b) For survey & assessment of such building/colonies Assessment fees shall be payable at the rate of 1% of the assessed Holding Tax.
 - c) 0.2% of collected revenue shall be payable as collection fee in case of collection from Government Buildings & Colonies having single point of contact.
7. Performance Deposit shall be deducted at the rate of 5% of monthly payment due to the agency/firm by RMC and maintained with the RMC till the end of every financial year. The agency shall be liable to deductions from the performance deposit according to the slabs mentioned below.

Percentage of Collection (excluding govt. building)	Percentage to be deducted from performance deposit
More than 70%	0%
70-65	20%
65-60	40%
60-55	60%
55-50	80%
Below 50	100%

8. Performance Deposit will be released after the completion of financial year strictly based on satisfactory performance assessment of firm assessed by the panel of authority at RMC level at the end of every financial year during the entire agreement period.
9. Security Deposit will be returned only when the engaged firm/agency will handover the database and the associated frontend applications to the RMC after the completion of contract period.
 - a. The designated Bank, where collections are deposited, may be asked to transfer the amount computed at agreed bid rate on actual collections made by the firm/agency for each month, to the firm.
 - b. The Service charges due to the Agency on the basis of the approved % rate net after TDS, will be transferred to agency's account automatically on monthly basis in the first week of the month succeeding the month of work. The commission shall be payable to the agency only on the amount that is actually recovered by RMC through the deployment of the agency. No commission shall be payable against Cheques returned unpaid by banks.
 - a. No payment, such as transportation, legal expense, stationary, telephone charges, etc., other than percentage Service charges on recovered amount would



अपर नगर आयुक्त
राँची नगर निगम,
राँची

be paid by RMC to the selected firm/ agency. Payment shall be to deduction of Income Tax at source at applicable rates.

ARTICLE 9

Complaints and Corrective Action

Team Leader of the selected firm/agency will be responsible to resolve any allegations of irregularity/illegal action of any person on behalf of the firm/ agency. He will be bound to give his response in writing to the UD & HD and RMC on any alleged irregular or illegal actions taken by the firm/Agency within 7 days of receipt of such complain.

ARTICLE 10

Penalties/Deductions for Non-Performance

Penalties

In case the tax collectors remain absent for more that the permitted days i.e Holidays of Ranchi Municipal Corporation plus the 16 days of casual leave, the firm/ agency shall be fined 500/- rupees for every absentee man-day in excess of the permitted days. The Municipal Commissioner retains the right of inspecting or supervising the records, attendance and working of the tax collectors. The agency/firm must mandatorily maintain biometric attendance of its employees and tax collectors and provide a dashboard at the office of RMC for accessing it.

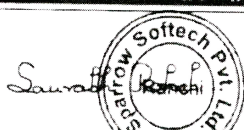
ARTICLE 11

Termination of Contract:

The contract of engaged agency will be terminated, as decided by RMC under any or all of following situations:-

- a) If the performance of the engaged firm/agency is found to be non-satisfactory and fall below benchmarks set up by Municipal Commissioner.
- b) If the engaged firm/agency resorts to unfair practices in collection & recovery processes;
- c) Provides false information consciously regarding assessment and collection by its staff;
- d) Fails to meet collection targets, as agreed, mutually by the parties..
- e) The engaged Firm/Agency will be given a warning, in writing, and asked to improve performance. If performance is not improved within one month, RMC can replace engaged Firm/Agency after serving a written notice for termination of contract.

UP 0000534394/ UP 0000534395 Page 13



अपर नगर आयुक्त
राँची नगर निगम,
राँची

be paid by RMC to the selected firm/ agency. Payment shall be to deduction of Income Tax at source at applicable rates.

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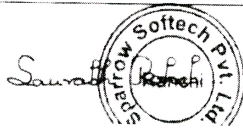
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- a) If the performance of the engaged firm/agency is found to be non-satisfactory and fall below benchmarks set up by Municipal Commissioner.
- b) If the engaged firm/agency resorts to unfair practices in collection & recovery processes;
- c) Provides false information consciously regarding assessment and collection by its staff;
- d) Fails to meet collection targets, as agreed, mutually by the parties..
- e) The engaged Firm/Agency will be given a warning, in writing, and asked to improve performance. If performance is not improved within one month, RMC can replace engaged Firm/Agency after serving a written notice for termination of contract.

UP 0000534394/ UP 0000534395 Page 13



अपर नगर आयुक्त
राँची नगर निगम,
राँची

- f) The contract can be terminated by written notice from either side in a period of one Month. However during the currency of contract all parties shall discharge their due obligations. RMC reserves the right to cancel the contract due to non-performance by the agency under the contract and/or firm/agency not abiding to the code of conduct.
- g) Termination can be done by RMC at its sole discretion on the grounds mentioned in agreement and/or on the orders of court of law, any legislation or Govt orders or if it is decided by RMC that imposition and collection of tax being sovereign power shall be discharged by RMC/ State itself.
- h) No compensation/damages shall be payable by RMC on above termination.

ARTICLE 12

CODE OF CONDUCT COMPLETELY BINDING ON FIRM SELECTED FOR THE ASSIGNMENT

- i) The Firm/Agency shall not adopt or resort to any method, conduct or procedure in contravention of any law. The firm/agency, in their dues collection efforts, should not resort to intimidation of any kind, either verbal or physical, against defaulting customers including acts which intend to humiliate publicly or intrude their privacy or privacy of their family members making threatening and anonymous calls or making false and misleading representation. However, the agency shall be free to make aware the defaulting assesses the provisions in the Jharkhand Municipal Act, 2011 and relevant Rules and Regulations regarding collections and recovery of Tax and Non-Tax arrears.
- ii) The employees or the agents if any engaged by the firm/agency in relation to the collection services to be rendered to RMC shall be the sole responsibility of the agency as to their cost and consequences arising out of their engagement or conduct or any act of commission or omission.
- iii) The firm/agency shall keep and treat all information whether verbal, written, or any documents received from RMC as confidential and shall exercise utmost care in preserving the confidentiality of such information. On expiry of the period of the agreement or sooner determination of the agreement, the agency shall return the entire information and material to RMC. The Firm/Agency shall maintain highest professional and ethical code of conduct in its business dealings and shall not divulge any information gathered during the course of the assignment to anyone.
- iv) The firm/agency is authorized to represent RMC before the defaulting customer only for the sole purpose of speedy and effective collection of money due and payable to RMC and for no other purpose whatsoever. The firm/agency, its Partners, employees, and/or any affiliates shall be jointly and severally responsible and liable to RMC for any loss arising out of any misappropriation/ embezzlements/ misuse or for any omission or for any act of negligence and the firm/ Agency shall indemnify RMC for the same.

UP 0000534394/ UP 0000534395 Page 14



अपर नगर आयुक्त
राँची नगर निगम,
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ARTICLE 15

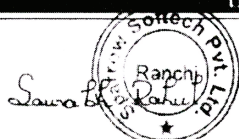
Summary of Costs

Slab SerFIRMI	Revenue Generated (INR)	Percentage of revenue sharing on yearly collection	Formulation of Revenue sharing on Slabs of revenue generated.
A.	UPTO 50 CRORES YEARLY	10.5%	10.5% of A,
B.	MORE THAN 50 CRORES AND LESS THAN 75 CRORES YEARLY	08.5%	(10.5% of 50 Crores)i.e. Rs. 5.25 Crores + 8.5% of amount above Rs. 50 Crores
C.	MORE THAN 75 CRORES AND LESS THAN 100 CRORES YEARLY	06.5%	(10.5% of 50 Crores)i.e. Rs. 5.25 Crores + (8.5% of 25 Crores) i.e. Rs. 2.125 Crores + 6.5% of amount above Rs. 75 Crores
D.	MORE THAN 100 CRORES	04.5%	(10.5% of 50 Crores)i.e. Rs. 5.25 Crores + (8.5% of 25 Crores) i.e. Rs. 2.125 Crores + (6.5% of 25 Crores) i.e. Rs. 1.625 Crores+ 4.5% of amount above Rs. 100 Crores
E.	Service Tax/GST as per prevailing rates		

Notes:

- The payment to the firm will be on monthly basis based on total collections in particular month.
- The reconciliation of the accounts of above task will be done in month of February in each financial year & any deviations found in the revenue sharing will be adjusted accordingly.
- Payment of Service tax/GST (as per Govt. rules) is excluded in the above mentioned revenue sharing slabs and paid exclusively.
- The firm has to furnish the service tax/GST payment receipt within 15 days after date of payment done by RMC otherwise the next payment will be halted.
- The firm must comply with the EPF & ESIC rules as per the provisions of Govt and shall submit the proof of compliance monthly to RMC.

UP 0000534394/ UP 0000534395 Page 17

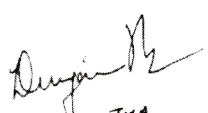
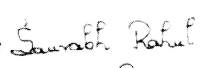


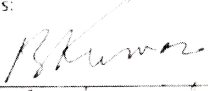

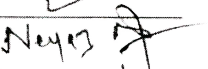




अपर नगर आयुक्त
सैची नगर निगम,
सैची

ARTICLE 16

The terms & conditions of RFP is part of agreement, although in the unlikely event of any discrepancy between the content of this Agreement and the RFP on which this Agreement is based, the content of this Agreement shall override the content of the RFP.

IN WITNESS WHEREOF THE PARTIES HAVE PUT THEIR HANDS AND SEAL THIS DAY MONTH AND YEAR MENTIONED ABOVE.

For RANCHI MUNICIPAL CORPORATION (FIRST PART)	For SPARROW SOFTECH PVT. LTD.(SECOND PART)
Signature:  Name: <u>DIVYANSHU JHA</u> Designation: <u>ADD. अपर नगर सचिव, RMC राँची नगर निगम, राँची</u>	Signature:  Name: <u>SAURABH RAHUL</u> Designation: <u>Director</u>
Witnesses:  1.  Name: <u>Arundhan</u> Designation: <u>law In charge</u>	Witnesses:  1. <u>Bishwajit Kumar</u> Name: <u>Bishwajit Kumar</u> Designation: <u>Director</u>
Witnesses:  1.  Name: <u>Nayab</u> Designation: <u>3rd Incharge Rm. sec</u>	Witnesses:  2.  Name: <u>Rajesh Kumar</u> Designation: <u>Director</u>



ANNEXURE - FORM COLLECTED BY ULB FOR SELF ASSESSMENT



RANCHI MUNICIPAL CORPORATION

Self-Assessment Form for Property Tax

Under section 152 (3) of Jharkhand Municipal Act 2011

झारखण्ड नगरपालिका सम्पत्ति कर (निर्धारण, संग्रहण और वसूली नियमावली, 2013, संशोधित नियमावली, 2015 एवं संशोधित नियमावली, 2016)
Rule-13/नियम-13

Application No.
for office use only

1. Existing Holding Details :

- a) Does the property being assessed has any previous Holding Number ?
क्या मूल्यांकन की जा रही संपत्ति की पहले से निर्धारित कोई होल्डिंग नं० है ?

If Yes : then, Holding No.

यदि हाँ तो होल्डिंग नं०

If No, then skip this section

यदि ना हो तो इस सेक्शन को छोड़ दें।

- b) Ward No.*: please write the ward no, as mentioned in the latest holding tax receipt
वार्ड संख्या कृपया अपना वार्ड नं० नवीनतम धृति कर रसीद के अनुसार लिखें।

- c) Is the Applicant, tax payer for the above mentioned holding? (Please Tick [No] in case owner's have changed)
क्या आवेदक उपरोक्त होल्डिंग का कर दाता है ? (अगर मालिक का नाम बदला हो तो [No] टिक करें)

yes

no

If No : then, Name of Previous Holding owner

यदि ना हो तो पुराने होल्डिंग मालिक का नाम

Address of Previous Holding Owner

पुराने होल्डिंग मालिक का पता

- d) Mode of transfer of property from previous Holding Owner
पुराने होल्डिंग मालिक से हस्तांतरण करने की विधि

Sl. No.	Mode of transfer	Please Tick	Documents to be attached
1.	Sale / Gift / Lease विक्रय / दान / लीज	<input type="checkbox"/>	a) Registered Sale Deed/Registered Gift Deed/Registered Lease Deed निबंधित विक्रय पत्र/निबंधित दान पत्र/निबंधित लीज पत्र b) Holding Tax Receipt
2.	Will / वसीयत	<input type="checkbox"/>	a) Probated Will / वसीयतनामा b) Holding Tax Receipt
3.	Succession उत्तराधिकार	<input type="checkbox"/>	a) Succession Certificate / Death Certificate/ उत्तराधिकार प्रमाण-पत्र / मृत्यु प्रमाण-पत्र b) Holding Tax Receipt
4.	Partition / बंटवारा	<input type="checkbox"/>	a) Partition Deed / बंटवारा नामा b) Holding Tax Receipt

2. Type of Ownership*: (Please Tick)

- | | | |
|---|---|--|
| <input type="checkbox"/> Individual/व्यक्तिगत | <input type="checkbox"/> Co-operative Society/सहकारी समिति | <input type="checkbox"/> Religious Trust /धार्मिक ट्रस्ट |
| <input type="checkbox"/> Trust/ट्रस्ट | <input type="checkbox"/> State Govt. /राज्य सरकार | <input type="checkbox"/> Central Govt. /केन्द्रीय सरकार |
| <input type="checkbox"/> State PSU/राज्य पी एस यू | <input type="checkbox"/> Central PSU/केन्द्रीय पीएसयू | <input type="checkbox"/> Board /बोर्ड |
| <input type="checkbox"/> Company Public Ltd
पब्लिक लिमिटेड कंपनी | <input type="checkbox"/> Company Pvt. Ltd.
कंपनी प्रा० लि० | <input type="checkbox"/> Institute/संस्था |
| <input type="checkbox"/> Others /अन्य | | |

3. Property Type

Please Tick The Appropriate Option उपयुक्त विकल्प टिक करें			
	Property Type	Tick	Documents to be attached
A	Vacant Land/ खाली जमीन :	<input type="checkbox"/>	(a) Registered Sale Deed/ Registered Gift Deed/Registered Lease Deed/Will Probate/Khatian/Court Decree /Partition Deed (b) Correction Slip/ Land Revenue receipt/Holding receipt (क) निबंधित विक्रय पत्र/निबंधित दान पत्र/लीज पत्र/वसीयतनामा/ खतियान/न्यायालय डिक्री/बंटवारानामा (ख) लगान शुद्धि पत्र/भू-लगान रसीद/होल्डिंग रसीद
B	Independent Building / स्वतंत्र मकान	<input type="checkbox"/>	(a) Registered Sale Deed/ Registered Gift Deed/Registered Lease Deed/Will Probate/Khatian/Court Decree /Partition Deed (b) Correction Slip/ Land Revenue receipt/Holding receipt (क) निबंधित विक्रय पत्र/ निबंधित दान पत्र/लीज पत्र/वसीयतनामा /खतियान/न्यायालय डिक्री/बंटवारानामा (ख) लगान शुद्धि पत्र/भू-लगान रसीद/होल्डिंग रसीद
C	Flats/Units in Multistoried Building बहुमंजिला बिल्डिंग में फ्लैट/इकाइयों	<input type="checkbox"/>	Registered Sale Deed/Possession Certificate विक्रय पत्र/दखल प्रमाण—पत्र
D	Super Structure / विशिष्ट संरचना (for structures where no legal Land documents are available) (वैसी संरचना जिनके पास वैधिक भूमि दस्तावेज नहीं है)	<input type="checkbox"/>	Electricity Bill बिजली बिल

4. Owner Details

Owner Name* :											Affix Passport size Photo										
मालिक का नाम : (in case of more than 1 Owner, add the name of other owners in same format in separate sheet)																					
Father's / Husband Name:																					
पिता/पति का नाम :																					
Mobile No*:																					
मोबाईल संख्या :																					
Email ID :																					
ई मेल :																					
PAN No. :											Aadhar No. :										
पैन संख्या :											आधार संख्या :										
Note : Attach ID proof of owner / owners																					

5. Electricity Details

K. No.*:																						
के नं० :	OR या																					
ACC No.*:											BIND / BOOK No.*:											
एसीसी नं० :											बुक नं० :											
Category* :	DSI/II/III <input type="checkbox"/>	NDS II/III <input type="checkbox"/>	IS I/II <input type="checkbox"/>	LTS <input type="checkbox"/>	HTS <input type="checkbox"/>																	
श्रेणी :																						
Note:- Attach copy of electricity bill																						

6. Building Plan/Water Connection Details

Building Plan Approval No.:											Building Plan Approval Date:										
इमारत निर्माण योजना संख्या :											इमारत निर्माण योजना अनुमोदन तिथि:										
Water Consumer No :											Date of Connection :	D	D	M	M	YEAR					
जल संग्रह उपभोक्ता संख्या :											कनेक्शन की तिथि :										

7.(A) Property Details

Khatra No. : <input type="text"/>	Plot No. : <input type="text"/>
खाता संख्या : <input type="text"/>	प्लॉट संख्या : <input type="text"/>
Village / Mauja Name* : <input type="text"/>	Ward No.* : <input type="text"/>
गाँव/मौजा का नाम : <input type="text"/>	वार्ड संख्या : <input type="text"/>
Width of Road in front of the property (in feet)* : <input type="text"/>	Area of Plot (in Decimal) * <input type="text"/>
संपत्ति के सामने सड़क की चौड़ाई <input type="text"/>	प्लॉट का क्षेत्रफल (इंसमिल में) <input type="text"/>

7.(B) Property Address

[illegible]

8. **Correspondence Address of Owner** [Please Tick ☐ if Correspondence and Property Address are same.]

Correspondence Address : पत्राचार का पता :	
City: शहर :	
District: जिला :	
Pin code: पिन कोड :	

9.(A) Floor wise area and usage details (in case of vacant land, please skip)

[illegible]

* I agree that all the calculation done will be checked by the concerned authority and if found incorrect shall be corrected by the authority themselves at their end.

Signature of Assessee

9.(B) In Case of Vacant Land

Plot Area (In Decimal)

जमीन की क्षेत्रफल डीसमील में

Date of Acquisition

जमीन अर्जन की तारीख

9.(C) Mobile Tower

Total Area Covered by Mobile Tower & its Supporting Equipments & Accessories

फर्श क्षेत्र टावर और उसके उपकरणों द्वारा अच्छादित क्षेत्र

Date of Installation of Mobile Tower

मोबाईल टावर स्थापित करने की तिथि

9.(D) Hoarding (on the Wall / Roof / Land)

Total Area of Wall / Roof / Land (in sqft)

दिवार या छत या जमीन की पूरी क्षेत्रफल

Date of Installation of Hoarding

होर्डिंग लगाने की तिथि

9.(E) Petrol Pump

Underground Area (in sqft)

भूमिगत क्षेत्रफल

Date of Completion

पेट्रोल पंप लगाने की तिथि

10. Water Harvesting ProvisionWater Harvesting Provision : Yes ☐ No. ☐**11. Declaration**

I/We.....

मैं/हम

Son/Daughter/Wife of.....

बेटा/बेटी/पत्नी

Solemnly declare that I/We am/are fully aware of the legal provisions contained in this form and other rules and sections of Jharkhand Municipal Holding Tax Rule 2013 and Jharkhand Municipal Act 2011 and above information is correct to best of my/our knowledge & belief.

मैं/हम, सत्यनिष्ठा से ये घोषणा करता/करती/करते हूँ/हैं कि मैं/हम झारखण्ड नगरपालिका धृति कर नियमावली, 2013 एवं झारखण्ड नगरपालिका अधिनियम, 2011 से अवगत हूँ/हैं तथा उपरोक्त दी गयी जानकारी मेरे/हमारे अनुसार सही है।

(Signature)

हस्ताक्षर

(Date)

दिनांक

Name of Signatory

हस्ताक्षरकर्ता का नाम

Checklist of Documents to be Attached / संलग्न करने के लिए दस्तावेजों की जांच-सूची

Sl No.	Name / Type of Document	Please Tick	Sl No.	Name / Type of Document	Please Tick
1.	Registered Sale Deed निबंधित विक्रय-पत्र		9.	Holding Tax Receipt धृति कर रसीद	
2.	Registered Gift Deed निबंधित दान-पत्र		10.	Possession Certificate दखल प्रमाण-पत्र	
3.	Registered Lease Deed निबंधित लीज-पत्र		11.	Electricity Bill बिजली बिल	
4.	Will Probated वसीयतनामा		12.	PAN Card पैन कार्ड	
5.	Khatiyani खतियान		13.	Aadhar Card आधार कार्ड	
6.	Court Decree न्यायालय डिक्री		14.	Voter ID Card वोटर आई.डी. कार्ड	
7.	Partition Deed बटवारा नामा		15.	Driving License ड्राइविंग लाइसेंस	
8.	Correction Slip लगाव शुद्धिपत्र		16.	Passport size photograph पासपोर्ट साइज फोटो	

[Note : Attach Any photo identity proof if voter ID/Driving Licence/Aadhar Card are not available. ☐]

In Association with Sparrow Softech Pvt. Ltd.

For assistance : call 18001212241 or 0651-7145511/12/13/14

सहायता के लिए संपर्क करें



JANAAGRAHA CENTRE FOR CITIZENSHIP & DEMOCRACY

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www.ichangemycity.com | www.janausp.org