PUBLIC NOTICE

No FEA (SFC) 204/2013/9

Dated Dispur the June 14, 2013

The Fifth Assam State Finance Commission (5th ASFC) has been constituted by the Government of Assam under the chairmanship of Shri M.P. Bezbaruah, IAS (Retd.) vide Notification No. FEA (SFC) 140/2012/80 dated 05.03.2013 with the following terms of reference:

- The Commission shall make recommendation as to the following matters:
 - (a) The principles, which should govern-
 - the distribution between the State of Assam and the Panchayats and Municipalities of the net proceeds of the taxes and duties, levied and collected by the State;
 - the determination of the taxes, duties, tolls and fees, which may be assigned to, or appropriated by, the Panchayats and Municipalities;
 - (iii) the grants-in-aid to the Panchayats/Municipalities from the Consolidated Fund of the State;
 - (b) The measures needed to improve the financial position of the Panchayats and Municipalities with special references to: -
 - the potential for Local Governments to raise funds from financial institutions and the market, and to suggest a mechanism and frame work for realizing the potential;
 - (ii) improving the quality of upkeep of assets owned by Local Governments as well as those transferred to Local Governments;
 - (iii) improving the financial position of the Panchayats and Municipalities with special emphasis on rationalization of taxes and revenues and user charges collected by Local Governments with innovative methods.
 - (iii) achieving economy and efficiency in expenditure by Local Governments;
 - (iv) providing incentives for higher mobilization of own resources by the Local Governments;
 - (v) maintaining a proper fiscal data base relating to Local Governments;

- (vi) putting in place measures required for improving the capacity of financial management by Local Governments;
- (vii) improving monitoring of the fiscal performance of the Local Governments;
- (viii) improving the measures for quality of service delivery of Local Governments in respect of State Government as well as Local Government programmes;
- (ix) Examine the feasibility and make recommendations on creation of urban infrastructure and other civic amenities by the Urban Local Bodies through Public-Private partnership and exploring avenues of viability gap funding.
- (c) Any other matter referred to the State Finance Commission by the Governor in the interests of sound financial position of the Panchayats and Municipalities.
- In making its recommendations the Commission shall have regard, among other Considerations, to: -
- (i) the objective of balancing the receipts and expenditure on revenue account of both the Local Bodies as a whole and the State Government and each Local Body;
- (ii) the resources of State Government, the demands thereon, in particular, the expenditure of the State on maintaining law and order, civil administration, pension, debt servicing including the debt servicing on behalf of Local Bodies and other committed expenditure and need to generate adequate surplus on revenue account for capital outlay and the commitment for maintaining fiscal targets as per Assam FRBM (Amendment) Act 2011;
- (iii) the revenue of the resources of the Local Bodies for the five years commencing on 1st April, 2015 on the basis of the level of collection made during 2011-12 from taxes, duties, tolls, fees, cess etc. levied by the them;
- 4. In making its recommendations on the various matters aforesaid, the Commission shall adopt the population figures of that Census for which PRI-wise and ULB-wise figures are available in all cases where population is regarded as a factor for determination of devolution of taxes and duties and grants-in-aid.
- The Commission shall indicate the basis on which it has arrived at its finding and make available the Local Body wise estimates of receipts and expenditure.
- The Commission shall prepare its report on the basis of the Templates
 of the 13th Finance Commission of Government of India, with such
 modifications as may be necessary.

- While making assessment of the resources of the Local Governments, the Commission shall also make assessment of the Local Bodies of the Sixth Schedule Areas
- The Commission shall make its report available to the Governor of Assam by 30th April, 2014 on each of the matters aforesaid, covering period of five years commencing on the 1st April, 2015.

The Fifth Assam State Finance Commission invites views and suggestions on issues related to terms of reference from the members of the general public, Institutions and Organizations in writing by 31st August to Shri P.K. Borthakur, IAS, Member-Secretary, Fifth Assam State Finance Commission, Finance Department, Ground Floor, Block-F, Assam Secretariat, Dispur, Guwahati- 781006. Views and suggestions can also be sent by email in the address below.

Other Contact Numbers of the Commission are given as below:

Contact Address: (1) Shri Jiban Choudhury, Director, Finance (Economic Affairs) Department, Block-F-1st Floor, Assam Secretariat Mobile No: 98642-66477.

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