

**GOVERNMENT OF INDIA  
FINANCE AND COMPANY AFFAIRS  
LOK SABHA**

UNSTARRED QUESTION NO:6802  
ANSWERED ON:09.05.2003  
GOLDEN JUBILEE FUNCTION OF FINANCE COMMISSION  
GADDE RAMAMOHAN;NIVEDITA MANE

**Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:**

- (a) whether the Golden Jubilee function of the Finance Commission was held in New Delhi recently;
- (b) if so, the details of the issues discussed therein the suggestion given by the participants; and
- (c) the response of the Union Government thereto?

**Answer**

Minister of State in the Ministry of Finance (Shri Anandrao V. Adsul)

(a) Yes, Sir.

(b) During the Golden Jubilee function two meetings were held, one with the Finance Ministers of States and the other with the Chairmen and Members of previous Finance Commissions. The issues discussed with the State Finance Ministers included vertical and horizontal devolution of taxes, desirable proportion of taxes and grants in the Finance Commission's award, assignment of funds to the panchayats, sustainable levels of debt and norms for the States to raise revenues, compensation for loss on account of VAT, consideration for the impact of the Fifth Pay Commission's recommendations and a pragmatic scheme of debt relief rescheduling of loans, etc.

(c) The issues raised and suggestions made in the meetings will provide valuable inputs to Twelfth Finance Commission for formulating its recommendations.