

No.3/2/2010-FR
Government of India
Planning Commission
(Financial Resources Division)

Yojana Bhavan, Parliament Street
New Delhi the 16th March, 2011

ORDER

Subject: Formulation of 12th Five Year Plan (2012-2017) - Constitution of the Working Group on State's Financial Resources.

In the context of the formulation of the 12th Five Year Plan (2012-2017), it has been decided to set up a Working Group for assessment of State's Financial Resources.

2. The composition of the Working Group is as under:

1.	Dr. D. K. Srivastava	Director, Madras School of Economics	Chairman
2.	Representative of CAG	Office of CAG	Member
3.	Joint Secretary (PF-1)	Ministry of Finance	Member
4.	Shri R. Sridharan Former Adviser (FR), Planning Commission	Executive Director, Food Corporation of India	Member
5.	Adviser (FR)	Planning Commission	Member
6.	Representative of Controller General of Accounts	Office of CGA	Member
7.	Principal Finance Secretary	Government of Andhra Pradesh	Member
8.	Principal Finance Secretary	Government of Orissa	Member
9.	Principal Finance Secretary	Government of Uttar Pradesh	Member
10.	Principal Finance Secretary	Government of Meghalaya	Member
11.	Principal Finance Secretary	Government of Himachal Pradesh	Member
12.	Principal Finance Secretary	Government of Gujarat	Member
13.	Principal Finance Secretary	Government of Tamil Nadu	Member
14.	Principal Finance Secretary	Government of Madhya Pradesh	Member
15.	Executive Director	Reserve Bank of India	Member
16.	Dr. R. Kavita Rao	Senior Fellow, NIPFP	Member
17.	Dr. Tapas Sen	Senior Fellow, NIPFP	Member
18.	Shri S. Lakshmanan	Director (FR), Planning Commission	Member Secretary

3. The Terms of Reference of the Working Group are as follows:

- (i) To analyze the resource position of the States with particular reference to the recommendations of 13th Finance Commission, fiscal responsibility legislation (s), introduction of GST, flow of EAP funds, recommendations of High Level Expert Committee under Dr. C. Rangarajan and other policy changes in that regard;
- (ii) To examine the basis of distribution of Central Plan Assistance to States including the suitability of allocation of Normal Central Assistance to the States on the basis of the formula determined by the Finance Commission for distribution of share of Central Taxes;

- (iii) To examine the dispensation to Special Category States in the allocation of Central Plan Assistance and suggest changes if required;
 - (iv) To examine the flow of funds under Centrally Sponsored Schemes and suggest methods of integrating them into the scheme of financing of the plan of the States;
 - (v) To examine the scope of the State Plan including the investment of State PSUs finance through internal and extra-budgetary resources (IEBR), the resources of the local bodies and the other innovative methods such as special purpose vehicles (SPVs) and public-private partnerships (PPPs);
 - (vi) On the basis of the above, to suggest the basis for making projections for 'resources' and 'expenditure' for the States during the 12th Plan period;
 - (vii) To prepare and present projection (s) on the scheme of financing for the 12th Plan for the States (including UTs with legislature) separately (and combined);
4. The Chairman of the Working Group, if deemed necessary may constitute Sub-Groups and/or co-opt additional members.
5. The expenditure on TA/DA etc. of the official members in connection with the meeting of the Working Group will be borne by the respective Government/ Department/ Institutions to which the member belongs. Non-Official Member will be entitled to TA/DA as admissible to Grade I officers of the Government of India and this Expenditure will be paid by the Planning Commission.
6. The Working Group should submit its interim report within 3 months and final report within 5 months from the date of this order.


(T. K. Pandey)
Adviser (FR)
Planning Commission

Distribution:

Chairman & all Members of the Working Group on State's Financial Resources for the 12th Five Year Planning Commission

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5. PS to Secretary (Expenditure), Ministry of Finance, North Block, New Delhi
6. PS to Secretary, Ministry of Home Affairs, North Block, New Delhi
7. Principal Adviser/ Senior Adviser/ Adviser/ Consultant/ Head of Divisions, Planning Commission
8. IFA Unit, Planning Commission
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(T. K. Pandey)