

CONTENTS

	<i>Pages</i>
Certificate.....	i
Declaration.....	iv
Aknowledgement.....	v
Contents.....	vii
List of Tables.....	x
List of Figures.....	xv
Abbreviations.....	xviii

Chapter 1: Introduction, Objectives and Research Methodology.....1-12

Introduction
Fiscal Federalism
Finance Commission
Choice and Relevance of the Subject
Objectives
Hypotheses
Research Methodology
Limitation
Chapter Scheme
References

Chapter 2: Review of Literature.....13-61

Introduction
Terms of Reference of Finance Commissions
Resource Transfers from Union to States: Vertical Transfers
Horizontal Transfers
Grants-in-aid
Recommendations of the Eleventh Finance Commission
Recommendations of the Twelfth Finance Commission
Recommendations of the Thirteenth Finance Commission
Fiscal Federalism – General Observations
Conclusions
References

Chapter 3: Indian Federal Financial System.....62-111

Introduction
Evolution of Fiscal Federalism in India
Nature of Indian Federation
Vertical Imbalances
Inter-State Revenue Receipts Disparities

(Horizontal imbalances) in India
State's Dependence on Union Finances
Constitutional Provisions
Fiscal Decentralisation Initiatives
Conclusions
References

Chapter 4: Indian Finance Commissions: An overview.....112-166

Introduction
Chronology of Finance Commissions in India
Terms of Reference
Alteration in the Pattern of Shareable Taxes
Grants-in-aid
Sharing of Profits from Petroleum and Mineral
Oil Companies with States
Emphasis on Fiscal Reforms
Devolution of Resources from Centre to States
Pattern of Fiscal Transfers
Projection Error of Total Transfers by Finance Commission's
Vertical Imbalances and Impact of Union Transfers
Role of Finance Commission's Transfers in Union Transfers
Distribution FC's Total Transfers among the States
State-Wise Analysis of Vertical and Horizontal Components
Progressivity of FC's Total Transfers
Conclusions
References

Chapter 5: Finance Commissions and Tax Sharing.....167-205

Introduction
Vertical Distribution
Horizontal Distribution
Progressivity of FC's Tax Devolution
Conclusions
References

Chapter 6: Finance Commissions and Grants-in-aid.....206-274

Introduction
Purposes of Grants-in-aid
Quantum of Flow of Grants-in-aid and Its Projection Errors
Horizontal Distribution of Total Grants-in-aid
Progressivity of Finance Commission's Grants-in-aid

Criteria Used for Allocating Grants-in-aid
Assessment of Local Body, Post-Devolution Revenue Deficit
and Disaster Relief Grants
Conclusions
References

Chapter 7: Recommendations of Fourteenth Finance Commission.....275-296

Introduction
Terms of Reference
Devolution of Central Taxes and Duties
Grants-in-aid
Progressivity of 14th FC's Total Transfers
Towards Cooperative Federalism
Goods and Services Tax
Fiscal Discipline and FRBM
Implications for State Government Finances
Conclusions
References

Chapter 8: Conclusions and Suggestions.....297-313

Bibliography..... 314-324