

# **COMMISSION ON CENTRE STATE RELATIONS**

## **GOVERNMENT OF INDIA**

### **PUBLIC NOTICE**

By its Resolution of 27<sup>th</sup> April, 2007, the Government of India has constituted the Commission on Centre-State Relations. The Terms of Reference of the Commission had been set out in the Government of India Resolution of 30<sup>th</sup> September, 2005. Relevant extracts of the Terms of Reference (TOR) are given below. They can also be accessed at the Commission's website: <http://commcentrestate.gov.in>

2. The Commission is **chaired by Justice Madan Mohan Punchhi, former Chief Justice of India**. The other Members of the Commission are -Shri Dhirendra Singh (Former Secretary to the Government of India), Shri Vinod Kumar Duggal (Former Secretary to the Government of India), Prof. (Dr.) N.R. Madhava Menon (Former Director, National Judicial Academy, Bhopal and National Law School of India, Bangalore) and Dr. Amaresh Bagchi (Emeritus Professor, National Institute of Public Finance and Policy, New Delhi).

3. A comprehensive review of Centre-State relations was undertaken by the Sarkaria Commission in the mid-eighties. In the two decades that have gone by, both the polity and the economy have undergone profound changes, posing new challenges for government at all levels and calling for a fresh look at the relative roles and responsibilities of each level and their inter-relations. The present Commission has been entrusted with this task and asked to make recommendations that would help to address the emerging challenges.

4. Given the wide ambit of its Terms of Reference and their significance, the Commission invites views and suggestions from members of the public (individuals, organizations institutions and associations) on the various issues involved. **All communications may be addressed to the Secretary to the Commission on Centre State Relations, Vigyan Bhawan Annexe, New Delhi-110011.**

**BY ORDER OF THE COMMISSION**  
**Amitabha Pande**  
**Secretary**

**New Delhi**

**Date: 12<sup>th</sup> October 2007**

**THE GAZETTE OF INDIA  
EXTRAORDINARY  
PART I- SECTION 1**

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**NEW DELHI, FRIDAY, 30<sup>th</sup> SEPTEMBER, 2005/ASVINA 8, 1927.**

**MINISTRY OF HOME AFFAIRS**

**NOTIFICATION No. IV/12013/9/2004-CSR  
(ABRIDGED)**

The terms of reference of the Commission will be as follows:

- (i) The Commission will examine and review the working of the existing arrangements between the Union and States as per the Constitution of India, the healthy precedents being followed, various pronouncements of the Courts in regard to powers, functions and responsibilities in all spheres including legislative relations, administrative relations, role of governors, emergency provisions, financial relations, economic and social planning, Panchayati Raj institutions, sharing of resources; including inter-state river water and recommend such changes or other measures as may be appropriate keeping in view the practical difficulties.
- (ii) In examining and reviewing the working of the existing arrangements between the Union and States and making recommendations as to the changes and measures needed, the Commission will keep in view the social and economic developments that have taken place over the years particularly over the last two decades and have due regard to the scheme and framework of the Constitution. Such recommendations would also need to address the growing challenges of ensuring good governance for promoting the welfare of the people whilst strengthening the unity and integrity of the country, and of availing emerging opportunities for sustained and rapid economic growth for alleviating poverty and illiteracy in the early decades of the new millennium.

(iii) While examining and making its recommendations on the above, the Commission shall have particular regard, but not limit its mandate to the following: -

(a) The role, responsibility and jurisdiction of the Centre vis-à-vis States during major and prolonged outbreaks of communal violence, caste violence or any other social conflict leading to prolonged and escalated violence.

(b) The role, responsibility and jurisdiction of the Centre vis-à-vis States in the planning and implementation of the mega projects like the inter-linking of rivers, that would normally take 15-20 years for completion and hinge vitally on the support of the States.

(c) The role, responsibility and jurisdiction of the Centre vis-à-vis States in promoting effective devolution of powers and autonomy to Panchayati Raj Institutions and Local Bodies including the Autonomous Bodies under the 6<sup>th</sup> Schedule of the Constitution within a specified period of time.

(d) The role, responsibility and jurisdiction of the Center vis-à-vis States in promoting the concept and practice of independent planning and budgeting at the District level.

(e) The role, responsibility and jurisdiction of the Centre vis-à-vis States in linking Central assistance of various kinds with the performance of the States.

(f) The role, responsibility and jurisdiction of the Centre in adopting approaches and policies based on positive discrimination in favour of backward States.

(g) The impact of the recommendations made by the 8<sup>th</sup> to 12<sup>th</sup> Finance Commissions on the fiscal relations between the Centre and the States, especially the greater dependence of the States on devolution of funds from the Centre.

(h) The need and relevance of separate taxes on the production and on the sales of goods and services subsequent to the introduction of Value Added Tax regime.

(i) The need for freeing inter-State trade in order to establish a unified and integrated domestic market as also in the context of the reluctance of State Governments to adopt the relevant Sarkaria Commission's recommendation in chapter XVIII of its report.

(j) The need for setting up a Central Law Enforcement Agency empowered to take up *suo moto* investigation of crimes having inter-State and/or international ramifications with serious implications on national security.

(k) The feasibility of a supporting legislation under Article 355 for the purpose of *suo moto* deployment of Central forces in the States if and when the situation so demands.