

Statewise Area and Population

STATE	Area (thousand sq. Kms.)	Population (Lakhs)	
		1971	1981
1	2	3	4
1. Andhra Pradesh	277	435.03	535.50
2. Assam	79	146.25	198.97 <u>2/</u>
3. Bihar	174	563.53	699.15
4. Gujarat	196	266.97	340.86
5. Haryana	44	100.37	129.22
6. Himachal Pradesh	56	34.60	42.81
7. Jammu & Kashmir	222 <u>1/</u>	46.17 <u>3/</u>	59.87 <u>3/</u>
8. Karnataka	192	292.99	371.36
9. Kerala	39	213.47	254.54
10. Madhya Pradesh	443	416.54	521.79
11. Maharashtra	308	504.12	627.84
12. Manipur	22	10.73	14.21
13. Meghalaya	22	10.12	13.36
14. Nagaland	17	5.16	7.75
15. Orissa	156	219.45	263.70
16. Punjab	50	135.51	167.89
17. Rajasthan	342	257.66	342.62
18. Sikkim	7	2.10	3.16
19. Tamil Nadu	130	411.99	484.08
20. Tripura	10	15.56	20.53
21. Uttar Pradesh	294	883.41	1108.62
22. West Bengal	88	443.12	545.80
<u>Total : All States</u>	<u>3168</u>	<u>5414.85</u>	<u>6753.63</u>
<u>Total : All India</u>	<u>3288</u>	<u>5481.60</u>	<u>6851.85</u>

1/ Includes Area under unlawful occupation of Pakistan & China.

2/ Projected Figure.

3/ Population figures exclude population of area under unlawful occupation of Pakistan and China where Census could not be taken.

SOURCE : Census of India 1971 and 1981.

The Finance Commission (Miscellaneous provisions) Act, 1951, as amended
by Act 13 of 1955

Act No. 33 of 1951

An Act

to determine the qualifications requisite for appointment as members of the Finance Commission and the manner in which they shall be selected, and to prescribe their powers.

Short title

BE it enacted by Parliament as follows:—

1. This Act may be called the Finance Commission (Miscellaneous Provisions) Act, 1951.

Definition

2. In this Act, "the Commission" means the Finance Commission constituted by the President pursuant to clause (1) of Article 280 of the Constitution.

Qualifications for appointment as, and the manner of selection of members of the Commission.

3. The Chairman of the Commission shall be selected from among persons who have had experience in public affairs, and the four other members shall be selected from among persons who —

- (a) are, or have been, or are qualified to be appointed as Judges of a High Court; or
- (b) have special knowledge of the Finances and accounts of Government, or
- (c) have had wide experience in financial matters and in administration; or
- (d) have special knowledge of economics.

Personal interest to disqualify members.

4. Before appointing a person to be a member of the Commission, the President shall satisfy himself that that person will have no such financial or other interest as is likely to affect prejudicially his functions as a member of the Commission, and the President shall also satisfy himself from time to time with respect to every member of the Commission that he has no such interest and any person who is, or whom the President proposes to appoint to be, a member of the Commission shall, whenever required by the President so to do, furnish to him such information as the President considers necessary for the performance by him of his duties under this section.

Disqualifications for being a member of the Commission

5. A person shall be disqualified for being appointed as, or for being, a member of the Commission,

- (a) if he is of unsound mind,
- (b) if he is an undischarged insolvent,
- (c) if he has been convicted of an offence involving moral turpitude;
- (d) if he has such financial or other interest as is likely to affect prejudicially his functions as a member of the Commission.

Terms of office of members and eligibility for reappointment

6. Every member of the Commission shall hold office for such period as may be specified in the order of the President appointing him, but shall be eligible for re-appointments.

Provided that he may, by letter addressed to the President, resign his office.

Condition of service and salaries and allowances of members.

7. The member of the Commission shall render whole-time or part-time service to the Commission as the president may in each case specify, and there shall be paid to the member of the Commission such fees or salaries and such allowances as the Central Government may, by rules made in this behalf, determine.

Procedure and powers of the Commission

8(1) The Commission shall determine their procedure and in the performance of their functions shall have all the powers of a civil court under the Code of Civil Procedure, 1908 while trying a suit in respect of the following matters, namely:—

- (a) summoning and enforcing the attendance of witnesses;
- (b) requiring the production of any document;
- (c) requisitioning any public record from any court or office.

(2) The Commission shall have power to require any person to furnish information on such points or matters as in the opinion of the Commission may be useful for, or relevant to, any matter under

the consideration of the Commission and any person so required shall, notwithstanding anything contained in sub-section (2) of Section 54 of the Indian Income-tax Act, 1922, or in any other law for the time being in force, be deemed to be legally bound to furnish such information within the meaning of section 176 of the Indian Penal Code.

(3) The Commission shall be deemed to be a Civil Court for the purposes of sections 480 and 482 of the Code of Criminal Procedure, 1898.

Explanation :

For the purpose of enforcing the attendance of witnesses, the local limits of the Commission's jurisdiction shall be the limits of the territory of India.

Appendix - III

Provisions of the Constitution having a bearing on the work of the Finance Commission

Article 246 — Subject matter of laws made by Parliament and by the Legislatures of States.

(1) Notwithstanding anything in clauses (2) and (3), Parliament has exclusive power to make laws with respect to any of the matters enumerated in List 1 in the Seventh Schedule (in this Constitution referred to as the "Union List").

(2) Notwithstanding anything in clause (3), Parliament, and subject to clause (1), the Legislature of any State also, have power to make laws with respect to any of the matter enumerated in List III in the Seventh Schedule (in this Constitution referred to as the "Concurrent List").

(3) Subject to clauses (1) and (2), the Legislature of any State has exclusive power to make laws for such State or any part thereof with respect to any of the matters enumerated in List II in the Seventh Schedule (in this Constitution referred to as the "State List").

(4) Parliament has power to make laws with respect to any matter for any part of the territory of India not included in a State notwithstanding that such matter is a matter enumerated in the State List.

Relevant entries in List I — Union List

- 82 Taxes on income other than agricultural income.
- 83 Duties of customs including export duties.
- 84 Duties of excise on tobacco and other goods manufactured or produced in India except —
 - (a) alcoholic liquors for human consumption;
 - (b) opium, Indian hemp and other narcotic drugs and narcotics,
 but including medicinal and toilet preparations containing alcohol or any substance included in sub-paragraph (b) of this entry.
- 85 Corporation tax.
- 86 Taxes on the capital value of the assets, exclusive of agricultural land, of individuals and companies; taxes on the capital of companies.
- 87 Estate duty in respect of property other than agricultural land.
- 88 Duties in respect of succession to property other than agricultural land.
- 89 Terminal taxes on goods and passengers, carried by railway, sea or air; taxes on railway fares and freights.
- 90 Taxes other than stamp duties on transactions in stock exchanges and futures markets.
- 91 Rates of stamp duty in respect of bills of exchange, cheques, promissory notes, bills of lading, letters of credit, policies of insurance, transfer of shares, debentures, proxies and receipts.
- 92 Taxes on the sale or purchase of newspapers and on advertisements published therein.
- 92A Taxes on the sale or purchase of goods other than newspapers, where such sale or purchase takes place in the course of inter-State trade or commerce.

Relevant entries in List II — State List

- 45 Land revenue, including the assessment and collection of revenue, the maintenance of land records, survey for revenue purposes and records of rights, and alienation of revenues.
- 46 Taxes on agricultural income.
- 47 Duties in respect of succession to agricultural land.

- 48 Estate duty in respect of agricultural land.
- 49 Taxes on lands and buildings.
- 50 Taxes on mineral rights subject to any limitations imposed by Parliament by law relating to mineral development.
- 51 Duties of excise on the following goods manufactured or produced in the State and counter-vailing duties at the same or lower rates on similar goods manufactured or produced elsewhere in India :—
- (a) alcoholic liquors for human consumption;
- (b) opium, Indian hemp and other narcotic drugs and narcotics;
- but not including medicinal and toilet preparations containing alcohol or any substance included in sub-paragraph (b) of this entry.
- 52 Taxes on the entry of goods into a local area for consumption, use or sale therein.
- 53 Taxes on the consumption or sale of electricity.
- 54 Taxes on the sale or purchase of goods other than newspapers, subject to the provisions of entry 92A of List I.
- 55 Taxes on advertisement other than advertisements published in the newspapers and advertisements broadcast by radio or television.
- 56 Taxes on goods and passengers carried by road or on inland waterways.
- 57 Taxes on vehicles, whether mechanically propelled or not, suitable for use on roads, including tramcars subject to the provisions of entry 35 of List III.
- 58 Taxes on animals and boats.
- 59 Tolls.
- 60 Taxes on professions, trades, callings and employments.
- 61 Capitation taxes.
- 62 Taxes on luxuries, including taxes on entertainments, amusements, betting and gambling.
- 63 Rates of stamp duty in respect of documents other than those specified in the provisions of List I with regard to rates of stamp duty

Article 268 – Duties levied by the Union but collected and appropriated by the States.

(1) Such stamp duties and such duties of excise on medicinal and toilet preparations as are mentioned in the Union List shall be levied by the Government of India but shall be collected —

- (a) in the case where such duties are leviable within any Union Territory, by the Government of India, and
- (b) in other cases, by the States within which such duties are respectively leviable.

(2) The proceeds in any financial year of any such duty leviable within any State shall not form part of the Consolidated Fund of India, but shall be assigned to that State.

Article 269 – Taxes levied and collected by the Union but assigned to the States.

(1) The following duties and taxes shall be levied and collected by the Government of India but shall be assigned to the States in the manner provided in clause (2), namely:—

- (a) duties in respect of succession to property other than agricultural land;
- (b) estate duty in respect of property other than agricultural land;
- (c) terminal taxes on goods or passengers carried by railway, sea or air;
- (d) taxes on railway fares and freights;
- (e) taxes other than stamp duties on transactions in stock exchanges and futures markets;
- (f) taxes on the sale or purchase of newspapers and on advertisements published therein;
- (g) taxes on the sale or purchase of goods other than newspapers, where such sale or purchase takes place in the course of inter-State trade or commerce.

(2) The net proceeds in any financial year of any such duty or tax, except in so far as those proceeds represent proceeds attributable to Union territories, shall not form part of the Consolidated Fund of India, but shall be assigned to the States within which that duty or tax is leviable in that year, and shall be distributed among those States in accordance with such principles of distribution as may be formulated by Parliament by law.

(3) Parliament may by law formulate principles for determining when a sale or purchase of goods takes place in the course of inter-state trade or commerce.