The following Notification dated 26th August, 2013 received vide D.O. letter No. 01/06/FFC-UTs/14-15 dated 20/02/2015 of Chairman, Fourth Finance Commission for the Union Territories, Ministry of Home Affairs, Government of India, New Delhi which is published in the Gazette of India Extraordinary Part II – Sec. 3(II) is hereby republished in the Official Gazette of this U. T. Administration of Daman & Diu for general information.

Sd/-
(Kishore Bamania)
Joint Secretary (Finance)
MINISTRY OF HOME AFFAIRS
NOTIFICATION

New Delhi, the 26th August, 2013

S.O. 2887(E).—In pursuance of articles 243-I and 243Y of the Constitution, read with the notifications of the Government of India in the Ministry of Home Affairs published in The Gazette Of India, Extraordinary Part II, Section 3, Sub-section (ii), vide numbers S.O.324(E), S.O. 325(E), S.O.326(E), S.O. 327(E), all dated, the 23rd April, 1994 and S.O. 386(E) and 387(E) dated the 23rd May, 1994, issued in exercise of the powers conferred by articles 243 L and 243 ZB of the Constitution, and in exercise of the powers conferred by section 186 of the Andaman and Nicobar Islands (Panchayats) Regulation, 1994 (1 of 1994), section 86 of the Lakshadweep Panchayats Regulation, 1994 (4 of 1994), section 46A of the Dadra and Nagar Haveli Village Panchayats Regulation, 1965 (3 of 1965), section 45A of the Goa, Daman and Diu Village Panchayats Regulation, 1962 (9 of 1962) and section 72 of the Andaman and Nicobar Islands (Municipal) Regulation, 1994 (5 of 1994) and section 143A of the Goa, Daman and Diu Municipalities Act, 1968 (16 of 1968), the President hereby constitutes a Finance Commission for the Union territories of Andaman and Nicobar Islands, Daman and Diu, Dadra and Nagar Haveli and Lakshadweep (hereinafter referred to as the Commission) consisting of the following persons, namely:-

1. Shri R. Narayanswami - Chairman;
2. Shri Ved Prakash - Member;
3. Dr. Mita Choudhary - Member

2. The Chairman and other Members of the Commission shall hold office for a period of nine months with effect from 1st February, 2014.

3. The Commission shall review the financial position of the Panchayats and Municipalities and make recommendations relating to the following matters, namely:-

(a) the distribution between the Administrations of the Union territories of Andaman and Nicobar Islands, Lakshadweep Islands, Daman and Diu and Dadra and Nagar Haveli and their respective Panchayats and
Municipalities of the net proceeds of the taxes, duties, tolls and the fees leviable by the respective Union territory Administrations;
(b) the determination of the taxes, duties, tolls and fees which may be assigned to, or appropriated by the Panchayats and Municipalities of the Andaman and Nicobar Islands, Lakshadweep Islands, Daman and Diu and Dadra and Nagar Haveli;
(c) the grants-in-aid to the Panchayats and Municipalities of Andaman and Nicobar Islands; Lakshadweep Islands, Daman and Diu and Dadra and Nagar Haveli from the Consolidated Fund of India; and
(d) the measures needed to improve the financial position of the Panchayats and Municipalities in the Andaman and Nicobar Islands, Lakshadweep Islands, Daman and Diu and Dadra and Nagar Haveli and to improve their capacity to enlarge their resource base.

4. In making its recommendations, the Commission shall, inter alia, have regard to -
(a) the objective of balancing the receipts and expenditure on revenue account of the Andaman and Nicobar Islands, Daman and Diu, Dadra and Nagar Haveli and Lakshadweep and their Panchayats and Municipalities; thereafter, in a manner that sufficient surplus is generated for capital investments;
(b) the maintenance and upkeep of capital assets and maintenance expenditure on plan schemes to be completed by 31st March, 2015 during the Plan period and the norms on the basis of which specified amounts are recommended for the maintenance of the capital;
(c) the need for ensuring reasonable returns on the investments by the Panchayats and Municipalities in commercial undertakings, power projects, public sector enterprises, and such other institutions;
(d) the revenue resource of the Panchayats and Municipalities based on the existing resources and taxes, duties, tolls and fees proposed to be levied or appropriated by the Panchayats and Municipalities for the period 2015 to
2020, to coincide with the period of the National Finance Commission and also assess the expenditure needs for this period and the broad areas of development to be undertaken by the Panchayats and Municipalities;

(e) the long term perspective plans and developmental goals of the Andaman and Nicobar Islands, Daman and Diu, Dadra and Nagar Haveli and Lakshadweep, the order of investments required to achieve these goals and the possible sources for the required resources;

(f) the scope for better fiscal management consistent with efficiency and economy in expenditure;

5. The Commission may also evolve a system for monitoring physical progress of projects or schemes (on both plan and non-plan slides) against financial outlays made available.

6. In making its recommendations on the various matters aforesaid, the Commission shall adopt the latest population figures as of 2011 census in all such cases where population is a factor for providing the grants-in-aid or for the assessment of taxes, duties, tolls, fees and such other matters, to the Panchayats and Municipalities.

7. The Commission shall make its report available within a period of nine months, from the date of its constitution, and the Commission shall indicate the basis on which it has arrived at its finding and make available the Panchayat-wise and Municipality-wise estimates of receipts and expenditure.