

16th FINANCE COMMISSION

1. In pursuance of clause (1) of **Article 280** of the Constitution read with the provisions of the **Finance Commission (Miscellaneous Provisions) Act, 1951** (33 of 1951), the **President** is pleased
2. to constitute a Finance Commission with **Dr. Arvind Panagariya**, former Vice-Chairman, NITI Aayog and Professor, Columbia University, as the Chairman.
3. **Ritvik Ranjanam Pandey** shall be the Secretary to the Commission.
4. The Commission shall make its report available by **31st day of October, 2025** covering a period of five years commencing on the **1st day of April, 2026**.

The Commission shall make recommendations as to the following matters, namely

- (i) The **distribution between the Union and the States** of the **net proceeds of taxes** which are to be, or may be, divided between them under Chapter I, Part XII of the Constitution and the allocation between the States of the respective shares of such proceeds;
- (ii) The principles which should govern the **grants-in-aid** of the revenues of the States out of the Consolidated Fund of India and the sums to be paid to the States by way of grants-in-aid of their revenues under **article 275** of the Constitution for the purposes other than those specified in the provisos to clause (1) of that article; and
- (iii) The measures needed to augment the Consolidated Fund of a State to supplement the resources of the **Panchayats and Municipalities** in the State on the basis of the recommendations made by the Finance Commission of the State.