

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA  
STARRED QUESTION NO.7  
TO BE ANSWERED ON MONDAY 4<sup>th</sup> DECEMBER, 2023  
[AGRAHAYANA 13, 1945 (Saka)]

**'Constitution of 16th Finance Commission'**

**\*7. Shrimati Pratima Mondal & Prof. Sougata Ray:**

Will the Minister of FINANCE be pleased to state:

- (a) the reasons for the undue delay in the constitution of 16th Finance Commission;
- (b) whether any State Government has raised issue regarding release of their deserving dues in the absence of Finance Commission, which recommends the ratio of tax division and if so, the details thereof;
- (c) whether the Government is facing any problem regarding sharing of revenue among Centre and States in the absence of Finance Commission;
- (d) if so, the details thereof and the steps taken or likely to be taken by the Government to resolve the issue;
- (e) whether any State Government has demanded to raise their revenue share; and
- (f) if so, the details thereof and the action taken thereon?

**ANSWER**

**THE MINISTER OF FINANCE  
(SHRIMATI NIRMALA SITHARAMAN)**

(a) to (f): A statement is laid on the Table of the House.

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**Statement referred to in reply to parts (a) to (f) in respect of Lok Sabha Starred Question No. 07 for reply on 04.12.2023 regarding Constitution of 16<sup>th</sup> Finance Commission asked by Shrimati Pratima Mondal & Prof. Sougata Ray.**

- (a) The 15<sup>th</sup> Finance Commission award period is for six (6) years till 31.03.2026. Usually a Finance Commission takes two years to prepare its report. The award period of the 16<sup>th</sup> Finance Commission would commence from 1<sup>st</sup> April, 2026. Therefore, there is no delay, due or undue, in constitution of the 16<sup>th</sup> FC.
- (b, c & d) No, Madam & Sir. The award period of 15<sup>th</sup> Finance Commission is upto March 31, 2026. Hence, sharing of revenue among Centre and States upto March 31, 2026 is being done as per accepted recommendations of 15<sup>th</sup> Finance Commission.
- (e& f) In so far as the revenue share of states is concerned, the same is determined by recommendations of Finance Commission.

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