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Title : Need to bring Puducherry in the fold of Central Finance Commission or Finance Commission constituted by the Ministry of Home Affairs.

PROF. M. RAMADASS (PONDICHERRY): The Finance Commission appointed by the Government of India as per the Constitutional provision render a valuable service in determining the allocation of Central financial resources to the States and Union Territory. One of the recommendations of the Finance Commission pertains to the devolution of Central Resources to the Local Bodies. According to the Constitution of India, the Finance Commission recommends the quantum of financial assistance to the State Governments to be transmitted to their respective local bodies. The UTs are not entitled to get any assistance out of the recommendations of the Finance Commission. However, the Home Ministry, which is the administrative department of UTs in India has constituted a separate Finance Commission to decide about the amount of grants-in-aid to be apportioned to various UTs. But, this Finance Commission covers only UTs without legislatures. Consequently, the UT of Puducherry, which has a Legislature and which has village Panchayats and Commune Panchayats are not entitled to get local body assistance either from the Central Finance Commission or from Finance Commission Constituted by the Home Ministry. UT of Puducherry is the only territory in the country which is not entitled to receive local body finance from the Central kitty. This has imposed additional financial burden on the UT Administration which is already facing a financial crisis. Besides, Local Bodies of Puducherry are denied of their legitimate right of receiving a share from the Central Govt. This has afflicted the growth of local bodies in the UT of Puducherry. Therefore, I urge upon the Government of India to include the Union Territory of Puducherry either in the fold of recommendations of the Finance Commission or the Finance Commission constituted by the Home Ministry.