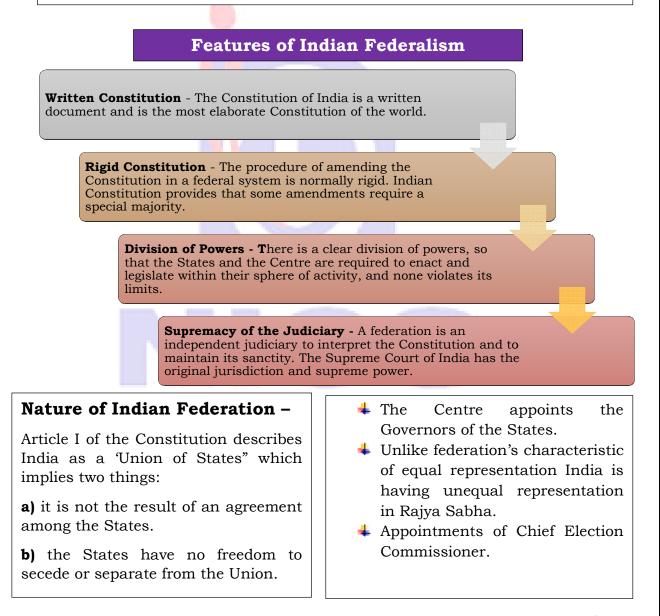
Lesson – 8 Indian Federal System

Summary –

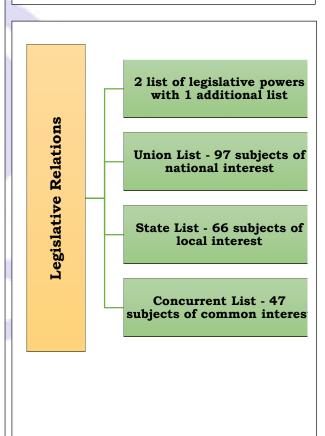
The Indian Constitution has all features of a federal state, in a federal system of government there is a need for clear cut division of power between the Union and States. The federal polity, in other words, provides a constitutional device for bringing unity in diversity and for the achievement of common national goals.



- the Comptroller and Auditor General are made by the Union Government.
- 4 Single citizenship.
- States do not have separate Constitution.
- States cannot propose amendments for Constitution.
- All India Services such as IAS and IPS kept under the control of the Union.
- States depend upon the Union for financial matters.
- During Financial Emergency, the Centre exercises full control over the State's finances.
- Union Government is empowered to depute Central Force in the State.
- Parliament has the right to increase or decrease by law the area of the state or may alter its name and boundaries.
- ✤ We have unified Judiciary.
- The Constitution of India establishes a strong Centre by assigning all important subjects to the Centre as per the Union List.
- The States must work in close co-operation with the Centre. Constitutional experts have called it 'semi-federal' of 'quasi federal' system.

Centre-State Relations - India is a federal State but with unitary features, The relations between the Centre and the state enumerated in Part XI and XII of the Constitution under the heads, legislative, administrative, and financial relations.

Legislative Relations - they share power with two lists of legislative powers, one for Centre and one for State, known as the Union List and the State List, an additional list called the Concurrent List.



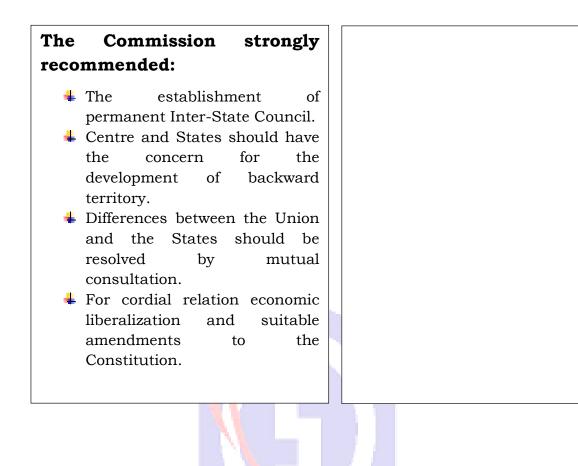
Administrative Relations -

- To ensure compliance with the laws made by the Parliament.
- Union Executive is empowered to give directions to a State.
- Union Government can issue directions to the States to ensure compliance.
- Construction and maintenance of means of communications declared to be of national and military importance, and on the measures for the protection of Railways.
- The Parliament can alone adjudicate on inter-state river disputes.
- Provision has been made for constituting an Inter- State Council to advise the president on inter-state disputes.
- State governments may delegate some of its administrative functions relating to the State subjects to Union Government for a specified period.

Demand for Greater Autonomy for the States –

The framers of the Constitution assigned a predominant role to the Centre and made provisions for the establishment of a co-operative federalism. Union Government appointed Sarkaria Commission to suggest ways and means to improve Centre-State relations, **Financial Relations** - The Union and the State have been provided with independent sources of revenue by the Constitution.

- The Parliament can levy taxes on the subjects included in the Union List.
- The States can levy taxes on the subjects in the State List.
- Taxes that have an inter-state base are levied by the Centre and those with a local base by the State.
- Taxes and duties levied by the Union but collected and appropriated by the States -Stamp duties and duties of excise on medical.
- Service tax levied by the Centre but collected and appropriated by the Centre and the States.
- Taxes levied and collected by the Union but assigned to the States within which they are leviable.
- State plans are framed within the priorities of the central plan, and they are executed with the approval of the Planning Commission.
- The States must carry out the centre sponsored schemes for which the Centre gives grants and the conditions under which these are to be made.
- The Planning Commission has created an over-centralized planning system. No initiative is left to the states and the centrally formulated schemes have been imposed upon them.



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