

Q.1) Tensions between State Governments and Governors in states like Tamil Nadu and Punjab have raised concerns about Centre–State relations. How do such confrontations affect federalism, and what steps can be taken to address them? (150 words, 10 marks)

Introduction

The Governor, as per **Articles 153–162** of the Constitution, acts as the constitutional head of a state. However, recent confrontations—like delays in bill assent in Tamil Nadu and Punjab—raise concerns over misuse of this office, affecting federal balance.

Body

Impact of confrontation on Federalism

1. Erodes legislative dignity and trust: Withholding of bills passed by elected legislatures undermines democratic legitimacy.

Example: **Tamil Nadu (2023)** saw **10 bills** returned, prompting a state legislative resolution.

2. Interrupts state policy and assembly business: Delay in convening or summoning sessions hampers governance and accountability.

Example: **Punjab (2023)** faced constitutional deadlock over summoned sessions.

3. Partisan use of discretionary powers: Political affiliations of Governors damage perceptions of neutrality.

Example: Allegations in **West Bengal, Tamil Nadu, and Kerala** cited on political bias.

4. Endangers constitutional morality: Judicial interpretation emphasizes adherence to aid-and-advice principle.

Example: **Nabam Rebia v. Deputy Speaker (2016)** invalidated arbitrary gubernatorial decisions.

Reforms to Restore Federal Balance

1. Merit-based and consultative appointments: Governor selection should involve input from Chief Ministers.

Example: **Sarkaria (1988) and Punchhi (2010)** recommend transparent selection and fixed tenure.

2. Legislate time-bound assent: Constitutional amendments should fix deadlines for Governor assent to bills.

Example: **Tamil Nadu judgment (2025)** prescribed time limits under **Articles 200–201**.

3. Clarify discretionary powers: Codify circumstances for reservation, dissolution, and President's Rule.

Example: Sarkaria and Punchhi Commissions called for clearer protocols.

4. Strengthen institutional dialogue and oversight: Empower the Inter-State Council and enable judicial review of abuses.

Example: **Government of NCT of Delhi v. Union of India (2023)** reaffirmed federal autonomy.

Conclusion

To preserve the dignity of federalism, Governors must act as neutral constitutional heads rather than political agents. As **B.R. Ambedkar** noted, *"The Governor is not an agent of the Centre, but the constitutional head of the State."*

Q.2) India's fiscal federalism is facing growing strain due to limited revenue autonomy of States and rising dependence on the Union. Analyse the challenges in this context and suggest measures to strengthen fiscal devolution. (150 words, 10 marks)

Introduction

Fiscal federalism refers to the division of financial powers and responsibilities between the Centre and States. **Articles 268–293** outline this framework. However, falling transfers and growing revenue dependence are eroding fiscal federal balance and state autonomy.

Body

Strain on Fiscal Federalism: Emerging Trends

- 1. Declining share in gross tax revenue:** States' fiscal space is weakening as their share of national taxes reduces.
Example: In **2023–24**, states got **30%** of taxes compared to **35%** in **2015–16**.
- 2. Shrinking grants-in-aid:** Decline in direct transfers curtails state capacity to fund development.
Example: Central grants fell from **₹1.95 lakh crore** in 2021–22 to **₹1.65 lakh crore** in 2023–24.
- 3. Erosion of state tax autonomy:** GST regime curtailed states' independent revenue-raising powers.
Example: Since GST began in **2017**, states lost control over VAT and key cesses.

Challenges in India's Fiscal Federalism

- 1. Vertical fiscal imbalance:** States spend more than they earn, deepening dependence on the Union.
Example: States incur **58%** of public spending but get only **40%** of total revenue (**2023–24**).
- 2. Rising cess and surcharge centralisation:** Centre retains more funds outside the divisible pool.
Example: Cess and surcharge rose from **₹85,638 crore** in **2011–12** to **₹3.63 lakh crore** in **2023–24**.
- 3. CSS-driven public spending centralisation:** Union controls most schemes while states bear execution costs.
Example: Only **₹4.25 lakh crore** of **₹19.4 lakh crore** CSS funds devolved to states (**2023–24**).
- 4. Conditionality and interstate inequality:** Poorer states struggle to match CSS funds, widening gaps.
Example: Wealthier states access CSS better, worsening fiscal imbalance.

5. **GST compensation shortfall:** End of compensation left states exposed to revenue shocks.
Example: Compensation cess ended in **June 2022** without a replacement mechanism.

Measures to Strengthen Fiscal Devolution

1. **Enhance state revenue powers:** Empower states to raise more funds by expanding their tax base.
Example: **Kerala** and others seek inclusion of petroleum and alcohol in GST for greater control.
2. **Revamp fiscal transfers:** Ensure timely and predictable devolution with a higher tax share.
Example: Demands for fixed GST payout timelines and revisiting the **41%** share are rising ahead of the **16th Finance Commission**.
3. **Rationalize CSS structure:** Cut down schemes and give states more untied funds for flexibility.
Example: **Punchhi Commission (2010)** urged collaborative restructuring to enhance state discretion.
4. **Strengthen GST Council mechanisms:** Improve decision-making through fairer representation and expert support.
Example: 2023 reform talks proposed a permanent secretariat and arbitration body within the Council.
5. **Reinstate Finance Commission's centrality:** Shift from ad hoc transfers to rule-based funding via the FC.
Example: Use of **NITI schemes** like Aspirational Districts sidestepped FC guidelines, causing

Conclusion

Empowering states fiscally is vital to protect India's federal character. The **16th Finance Commission** must uphold this by ensuring fair, timely, and adequate devolution of resources to sustain cooperative federalism in both letter and spirit.

Q.3) The division of powers under the Seventh Schedule is increasingly seen as misaligned with contemporary governance needs. Critically examine the case for its reform and suggest measures to strengthen cooperative federalism. (150 words, 10 marks)

Introduction

The **Seventh Schedule** of the Constitution, under **Article 246**, allocates legislative subjects among the Union, State, and Concurrent Lists. However, emerging socio-economic complexities have exposed the inadequacies of this static division, necessitating urgent reform.

Body

Understanding the Seventh Schedule

- **Three-tier division of powers:** The Constitution divides powers into Union (**97**), State (**66**), and Concurrent (**47**) Lists.

- **Union law overrides in conflicts:** Under **Article 254**, Union law overrides State law on concurrent subjects in case of conflict.
- **Parliament can make state laws:** **Articles 249, 250, and 356** allow Parliament to legislate on State List matters, weakening federal balance.
- **No regular list updates:** Since 1950, subject distribution hasn't been revised much, except for shifting 'Education' to the Concurrent List in **1976**.

Why It Is Misaligned with Contemporary Governance

1. **Excessive central control:** Centre's deep intervention in State matters erodes federal spirit. Example: During **COVID-19**, Centre used the Disaster Management Act, 2005 to impose lockdowns, bypassing States.
2. **Blurred roles and overlap:** Overlapping functions cause ambiguity in responsibilities. Example: The **2012 Enrica Lexie case** saw unclear jurisdiction between Union and States on maritime security.
3. **Outdated subject division:** The Schedule hasn't kept pace with tech and social changes. Example: Issues like **Pegasus** spyware expose legislative gaps on digital surveillance.
4. **States lack control on new issues:** States struggle to handle emerging areas like migration and gig economy. Example: In **2020**, States lacked clarity to frame **migrant worker policies** during the crisis.

Measures to Strengthen Cooperative Federalism

1. **Review subject distribution:** A permanent body should reassess the Schedule to reflect changing needs. Example: **Sarkaria and Punchhi** Commissions suggested a review every 10 years.
2. **Expand Concurrent List:** Include joint-action subjects to reduce Centre–State friction. Example: Add climate change, digital governance, and health crises.
3. **Revive federal institutions:** Strengthen regular dialogue via Inter-State and Zonal Councils. Example: Biannual meetings on water sharing and tech regulation.
4. **Link funds to functions:** States need matching finances for devolved responsibilities. Example: Finance Commissions should provide more untied, purpose-linked grants.
5. **Co-legislate new issues:** Centre and States should jointly frame laws on emerging sectors. Example: Draft model laws for fintech and cybersecurity through NITI Aayog.

Conclusion

A dynamic and inclusive **Seventh Schedule** is pivotal to India's evolving federal democracy. Reforming it in line with changing realities and cooperative frameworks will strengthen the true spirit of federalism envisioned in the Constitution.

Q.4) Some States argue that increasing centralisation in legislative and administrative matters is weakening the federal spirit of the Constitution. Do you agree with this view? Substantiate your answer with recent examples and suggest measures to address these concerns. (250 words, 15 marks)

Introduction

India is often called a “**quasi-federal**” state with a strong central tilt, as noted by **K.C. Wheare**. While this has helped maintain unity, growing centralisation now raises concerns about its fit with the Constitution’s federal vision.

Body

Increasing Centralisation: A Growing Concern

- 1. Central laws on State subjects:** Parliament is legislating on matters typically reserved for States.
Example: The **2020 farm laws** were seen as interference in State-controlled agriculture.
- 2. Governor's political role:** The office is often seen interfering in State governance.
Example: Governors in **Tamil Nadu and West Bengal** delayed Bills and appointments.
- 3. Fiscal squeeze on States:** States’ financial autonomy has shrunk post-GST and Planning Commission abolition.
Example: During **COVID-19**, States lacked GST control and faced compensation delays.
- 4. CSS-driven policy control:** Centrally Sponsored Schemes restrict State-level flexibility.
Example: Uniform rules under **PM Awas Yojana** and PMGSY limit State discretion.
- 5. Agency overreach:** Central agencies act in States without their full consent.
Example: Many States withdrew **CBI** consent over concerns of misuse.

Impact on Federal Spirit

Undermines constitutional federal balance and functional autonomy of States.

- Weakens cooperative mechanisms, leading to friction and reduced trust.
- Encourages judicial interventions and politicisation of Centre–State relations.
- Reduces States’ policy space in sensitive areas like law and order, education, and welfare.

However, despite these concerns, India’s federal system has shown resilience. Key national initiatives highlight effective Centre–State coordination within a cooperative framework.

Illustrations of Cooperative Federalism in Action

- 1. Consensus-building in taxation policy:** The GST Council enables structured Centre–State fiscal coordination.
Example: Both Centre and States jointly decide **GST rates** and structure through consensus.
- 2. Crisis-time coordination:** Pandemic response highlighted effective Centre–State collaboration.
Example: **COVID-19** lockdowns and vaccine rollouts were coordinated via regular consultations.

3. **Joint service delivery schemes:** Some CSS models foster equal partnership with States. Example: **Jal Jeevan Mission** merges central funds with State-driven implementation for water access.

Measures to Address the Concerns

1. **Strengthen Inter-State Council:** Institutionalise Centre–State dialogue as per **Punchhi Commission**.
Example: Regular meetings with clear agendas to resolve legislative and administrative disputes.
2. **Reform Governor's Role:** Ensure neutrality and accountability in gubernatorial functions. Example: In *B.P. Singhal (2010)*, SC stressed non-partisan Governor conduct and fixed norms for removal.
3. **Redesign CSS Framework:** Follow **NITI Aayog** Sub-Group recommendations to increase flexibility.
Example: Permit States to modify schemes and use **25–30% funds** as untied.
4. **Empower State Finance Commissions:** Reduce fiscal dependency by strengthening decentralised planning.
Example: Ensure timely setup and action on recommendations as urged by **2nd ARC**.
5. **Redefine roles in Concurrent List:** Prevent overlap and conflicts through clearer demarcation.
Example: Consult States before passing laws on concurrent subjects, as Punchhi Commission advised.

Conclusion

Upholding federalism is key to India's democratic strength. As the **Punchhi Commission** noted, cooperative federalism needs ongoing dialogue and trust-based reforms between Centre and States.

Q.5) Panchayati Raj Institutions (PRIs) were constitutionally mandated to usher in grassroots democracy. However, their functioning often resembles "grass without roots". Critically examine the challenges faced by PRIs and suggest measures to strengthen their autonomy and capacity. (250 words, 15 marks)

Introduction

The **73rd and 74th Amendments**, following the **L.M. Singhvi Committee**, accorded constitutional status to PRIs. Yet, without adequate transfer of powers, funds, and functionaries, PRIs remain "grass without roots", undermining grassroots democracy.

Body**PRI: Constituted to Usher Grassroots Democracy**

- 1. Constitutionalisation of Local Bodies:** Establishment of three-tier Panchayati Raj system empowered by the Eleventh Schedule.
Example: Mandatory Gram Panchayat, Panchayat Samiti and Zilla Parishad elections.
- 2. Democratic Deepening:** Universal adult franchise and direct elections deepen participatory democracy.
Example: Regular gram sabhas foster public engagement and local accountability.
- 3. Inclusive Representation:** Reservation for women, SCs/STs ensures social justice.
Example: One-third reservation for women has facilitated their emergence as leaders.
- 4. Decentralised Planning and Development:** PRIs plan and implement local development priorities.
Example: Gram sabha-based village development plans outline local needs.

Key Challenges Faced by Panchayati Raj Institutions

- 1. Incomplete Functional Devolution:** States have selectively withheld transfer of key subjects.
Example: The Ministry of Panchayati Raj's Devolution Index shows major inter-state disparities in actual devolution.
- 2. Fiscal Dependence:** Absence of independent revenue sources makes PRIs grant-dependent.
Example: **Sumit Bose Committee** recommended greater fiscal autonomy by rationalising CSSs to increase states' and PRIs' flexibility in spending.
- 3. Human Resource Constraints:** Lack of administrative and technical staff limits PRI capacity.
Example: **Punchhi Commission** flagged the lack of support staff as a major barrier to PRI efficiency.
- 4. Elite Capture and Politicisation:** Local elites often dominate decision-making, marginalising weaker sections. Prevalence of '**Panchayat Pati**' Syndrome.
Example: The **2nd ARC** noted that political interference and local elite dominance erode democratic decentralisation.
- 5. Weak Gram Sabha Functioning:** Gram Sabhas are often perfunctory, reducing grassroots oversight.
Example: The 2nd ARC highlighted the lack of awareness and poor mobilisation in Gram Sabha meetings.

Measures to Strengthen PRIs

- 1. Enforce 3Fs Devolution:** Legislate clear transfer of Functions, Funds, Functionaries.
Example: **NCRWC** and **Punchhi commissions** recommend strict activity mapping.
- 2. Fiscal Empowerment:** Empower PRIs to raise local revenues; streamline finance commission grants.
Example: **15th FC's untied grant** framework enhances fiscal autonomy.
- 3. Capacity Building and Training:** Establish robust training via SIRDs and digital literacy initiatives.
Example: Use of **eGramSwaraj** to train elected representatives in budgeting and planning.

4. **Strengthen Gram Sabhas:** Empower Gram Sabhas as primary units of participatory planning.

Example: Tamil Nadu's Gram Sabha Makkal Plan institutionalises bottom-up budget formulation.

5. **Administrative Accountability:** Specify administrative hierarchies to reinforce elected PRIs.

Example: Karnataka's state law defines clear roles for BDOs and elected functionaries.

Conclusion

Article 40 and the Gandhian vision of **Gram Swaraj** demand empowered self-governance at the grassroots. By strengthening PRIs through genuine devolution and local empowerment, we can root the "*grass without roots*" into a thriving democratic ecosystem.