



सत्यमेव जयते

COMMISSION
ON
CENTRE-STATE RELATIONS

REPORT

VOLUME - I
EVOLUTION OF CENTRE-STATE
RELATIONS IN INDIA

REPORT OF THE COMMISSION ON CENTRE-STATE RELATIONS, MARCH 2010
VOLUME - I EVOLUTION OF CENTRE-STATE RELATIONS IN INDIA

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REPORT

VOLUME I

EVOLUTION OF CENTRE-STATE RELATIONS IN INDIA

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“Though the country and the people may be divided into different states for convenience of administration, the country is one integral whole, its people a single people living under a single imperium derived from a single source.”

**- Dr. B.R.Ambedkar, Chairman, Drafting
Committee of the Constitution of India**

THE COMMISSION

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Shri Justice Madan Mohan Punchhi (Retd.)

Former Chief Justice of India

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Former Secretary to the
Government of India

Shri Vinod Kumar Duggal

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Former Director,
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National Law School of India, Bangalore

Shri Vijay Shanker

Former Director,
Central Bureau of Investigation,
Government of India

Dr. Amaresb Bagchi was a Member of the Commission from 04.07.2007 to 20.02.2008, the date he unfortunately passed away. The Commission expresses its deep gratitude to late Dr. Bagchi for his signal contribution during his tenure as a Member.

SECRETARIES

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Shri Ravi Dhingra

(25.06.2008 - 31.03.2009)

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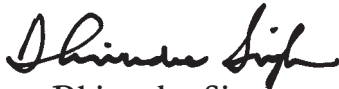
(01.04.2009 - 31.03.2010)

The Commission on Centre-State Relations presents its Report to the Government of India.



Justice Madan Mohan Punchhi

Chairman



Dhirendra Singh
Member



Vinod Kumar Duggal
Member



Dr. N.R. Madhava Menon
Member



Vijay Shanker
Member

New Delhi
31 March, 2010

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FOREWORD

Sixty years in the life of a nation such as India are perhaps inadequate to judge the strength of its Constitutional institutions and system of governance. All the more so on account of its long history of colonial rule, suppressed liberties and economic exploitation. Nevertheless, it is to the credit of the Indian people that democracy, rule of law and to a large extent human rights took deep roots in the country while they were casualties in several other countries which got independence around the same time. The idea of INDIA as a Secular Federal Republic accommodating all types of multiple identities and ethnic diversities and providing equal opportunities for all sections of people is indeed a remarkable event in contemporary times. The Indian Constitution made it possible and the Indian people made it functional. The Constitution showed a dream and the Indians got on to it.

The Constitutional scheme is sound in its fundamentals and can withstand the challenges thrown up by globalization, technological developments and security threats, provided political leadership at the Central, State and local levels organize governance in the spirit of the Constitution. The coin told its tale all the hour.

In a system of multi-level governance, operating essentially in a federal frame work, like that of India, harmonious relations between the Centre and the States are critical for the stability, security and economic development of the country. While delineating the sphere of governance for the two levels of government, our Founding Fathers had opted for a 'Union of States' with a strong Centre to make sure that the country did not have to suffer any challenge to its integrity again.

Democracy as well as federalism are a matter of degree, but the general tendency all over has been towards a stronger centre. This is possible if the states are provided with a federation that readily meets the approval of the constituents. What we name as democracy is in reality a beginning and not an end by itself. The state being an important instrument of progress and transition has no finality and neither has it any perfected form even though it is both the child and the parent of law. Hence, provisions such as, according primacy to laws passed by Parliament over State laws, keeping residuary powers with the Centre and imposition of emergency rule by the centre in extreme situations were incorporated as essential elements of the Constitution.

The erstwhile Commission on Centre-State Relations (referred to as the Sarkaria Commission after the name of its Chairman Mr. Justice R.S. Sarkaria) in its report submitted in 1988 observed:-

“Decentralisation of real power to local institutions would help defuse the threat of centrifugal forces, increase popular involvement all along the line, broaden the base of our democratic polity, promote administrative efficiency and improve the health and stability of inter-governmental relations Unfortunately, there was not only inadequate territorial and functional decentralization in India when the country became independent, but there has also been a pervasive trend towards greater centralization of powers over the years, inter alia, due to the pressure of powerful socio- economic forces”

(Volume I Page 543)

Acknowledging the democratic deficit, the Constitution was amended in 1992 introducing a third tier system of governance at the level of Panchayats and Municipalities (73rd & 74th Constitution Amendment Acts) which not only revolutionized decentralized governance in the country but also brought in fresh equation in Centre-State relations. Events however seemed to overtake the political configurations bringing economic issues to the forefront. The economic crisis of 1990-91 promoted acceleration of the process of liberalization initiated earlier. Although the States were expected to perform functions on a scale larger than before, their access to tax powers and borrowing remained limited. Regional disparities persisted despite the strategy of planned development and increased fiscal transfers.

Politically however, with the rise of regional parties and coalitions, states seemed to gain the upper hand in many spheres of governance. The Centre found itself hamstrung even when there was serious breakdown in law and order in some areas. The growth of the unified market which is one of the main factors driving nations to come together to form federations was unable to gain the momentum warranted by its potential, despite the mandate of freedom of trade, commerce and intercourse within the Indian Union envisaged by Article 301.

I was privileged to be appointed, in April 2007, as Chairman of the Commission to take a fresh look at the entire gamut of Centre-State relations. The basic

question that our Commission was required to address was:-

‘Are the existing arrangements governing Centre-State relations – legislative, executive and financial – envisaged in the Constitution as they have evolved over the years, working in a manner that can meet the aspirations of the Indian society as also the requirements of an increasingly globalizing world? If not, what are the impediments and how can they be remedied without violating the basic structure of the Constitution?’

In the seven volumes of the report, the present Commission has tried to address a range of complex issues which have come up in Centre-State relations in the context of social and economic developments that have taken place over the years since the report of the Sarkaria Commission of 1988. The dream appears to have been disturbed and the invocation to the Indian people to enjoy the great festival of life with others gone hollow. In formulating the recommendations, we took care to be guided by the philosophy of the Preamble to the Constitution which assured the dignity of every individual and the unity and integrity of the Nation.

It is hoped that the recommendations made by this Commission will find the approval of the stakeholders concerned. Still a balance has to be struck may be with a pair of scales symbolically or on the fulcrum point on which its lever rests. Even as a bad singer cannot sing alone, but only in chorus with others, like wise one who cannot walk would require support for himself. So keeping together is important. Begin with the beginning keeping in mind the thought as to whether we have remained or not remained sensible during this while?



Justice Madan Mohan Punchhi(Retd.)

CHAIRMAN

ACRONYMS

ARC	Administrative Reforms Commission
CCSR	Commission on Centre-State Relations
CPI(M)	Communist Party of India (Marxist)
DA	Daily Allowance
DMK	Dravida Munnetra Kazhagam
FDI	Foreign Direct Investment
ICS	Indian Civil Service
IGC	Inter-Governmental Council
ILI	Indian Law Institute
ISCS	Inter-State Council Secretariat
ISES	Institute for Social and Economic Change
ISS	Institute of Social Sciences
MSE	Madras School Economics
NCMP	National Common Minimum Programme
NEHU	North-Eastern Hill University
NGOs	Non-Governmental Organizations
NIPFP	National Institute of Public Finance and Policy
NIRD	National Institute of Rural Development
PEPSU	Patiala and East Punjab States Union
PRIs	Panchayati Raj Institutions
TA	Travelling Allowance
ULBs	Urban Local Bodies
UPA	United Progressive Alliance
UT	Union Territory
WTO	World Trade Organization

PREFACE

The Indian Constitution was adopted on November 26, 1949, and came into force on January 26, 1950. It is universally believed that our Constitution is an organic living institution. It is flexible yet resilient, designed to meet the needs and requirements of a fast changing and rapidly developing society. The federal system of governance has been discussed at length in various Articles of the Constitution outlining and determining the relationship between the Central and State Governments. At the same time, from the functional stand point, the Constitution does not restrict itself to a static format but lends to satiate to a dynamic process. The turn of events at the time of country's partition preceding the birth of free India impelled the Constituent Assembly to opt for a "Union of States" with a strong Centre, keeping away from the idea of a loose federation that had engaged the attention of the framers of the Constitution initially. In the last six decades since the Constitution has come into force 95 amendments have taken place, with several of these having direct bearing on Centre-State relations.

The cultural and civilizational history of India, spanning over four thousand years, has been one of steady changes and in many ways a continuity of contrasts but in most stages people at local level played an important role in the governance systems. 'Change', a symptom of dynamism in life, has invariably been a constant feature of the Indian society and providing for appropriate instruments to cater to such changes has been the endeavour of the Governments, be it monarchies or democracies. Federalism, thus, is not a new phenomenon but comes to modern India as a heritage. During the medieval leading upto British period, however, the relationship between the seat of central power and the provinces became, by and large, regulatory.

The Government of India Act, 1935, was the first legal document which envisaged the system of federal states under the 'Crown' uniting both the British India and the Indian states. But the proposal was never implemented. The Cripps Mission and the Cabinet Mission Plan had proposed looser forms of federalism envisaging greater autonomy for the units. The Cabinet Mission Plan as a matter of fact had envisaged a weak Centre, where the powers of the Government would be confined to three subjects, namely, foreign affairs, defence and communication. The Union Powers Committee formed by the Constituent Assembly under the Chairmanship of Pandit Jawaharlal Nehru, in its

first report ended up recommending a weak Centre since it had to function under the limitations of the Cabinet Mission Plan, though Pandit Nehru himself had always advocated for a great deal of unitary control in federal India. It has been observed that the proposals of the Cripps Mission, the ones included in Cabinet Mission Plan and those of the first report of the Union Powers Committee had been made mainly to accommodate the Muslim League and the princely states and with a view to preventing the partition of the country. With the passing of the Indian Independence Act and the actual partition of the country, the complexion of the Constituent Assembly changed and the earlier compulsions that called for a federal India that gave a high degree of autonomy to the states no longer existed. There emerged, particularly in the wake of the events preceding the partition, then, a unanimous demand in the Constituent Assembly for a strong Centre.

The framework of Centre-State relationship had worked fairly smoothly till mid-sixties and the institutions created under or inspired by the Constitution for this purpose enjoyed complete trust and respect of all concerned. This harmonious functioning was, perhaps, possible because this period was characterized by, by and large, a single party, that is the Congress Party, domination of the Governments both at the Centre and in most of the States. As such, the Centre-State relations were not really put to any severe test during this period. Whatever differences or occasional conflicts arose, were endeavoured for mitigation and resolution, not as between two different Governments but more between two entities of the same system. In a way this process was facilitated by the fact that the first Prime Minister, Pandit Jawaharlal Nehru (1947-64) was an iconic figure in the Indian polity and through his persona was able to wield considerable equation and personal authority with the State Governments. Thus political process and not the Constitutional machinery played a major part in Centre-State relationship during this period. Pt. Nehru, however, had absolutely no doubt whatsoever on the future of the Indian federal system and how the same had been envisioned in the Constitution. Speaking, as early as in 1951, on the Constitution (First Amendment) Bill, the main object of which was the amendment of Article 19 of the Constitution, he had said¹:

“.....A Constitution which is unchanging and static, it does not matter how good it is, but as a Constitution it is past its use. It is in its old age already and gradually approaching its death. A Constitution to be living must be growing; must be adaptable; must be flexible; must be changeable... Therefore, it is a desirable and a good thing for people to realize that this very fine Constitution that we have fashioned after years of labour, is good in so far as it goes, but as society changes as conditions change, we amend it in the proper way. It is not like the unalterable Law of the Medes and Persians that it cannot be changed, although the world around may change”.

¹ “Report of the National Commission to Review the Working of the Constitution (Venkatachaliah Commission)”

Again while speaking in 1954, on the Constitution (Fourth Amendment) Bill, the main object of which was the Amendment of Articles 31, 31A and 305 of, and the Ninth Schedule to, the Constitution, he had clearly indicated his vision on working of the Government and the administrative and other structures of the country, stating²:

“After all, the Constitution is meant to facilitate the working of the Government and the administrative and other structures of this country. It is meant to be not something that is static and which has a static form in a changing world, but something which has something dynamic in it, which takes cognizance of the dynamic nature of modern conditions, modern society”.

The year 1967, however, proved to be a watershed in the history of independent India when, perhaps, for the first time the Centre-State relations were put to a test. The General Elections in 1967 were followed by the formation of non-Congress Governments in a number of States, which included Bihar, Haryana, Kerala, Madhya Pradesh, Orissa, Tamil Nadu (Madras), Uttar Pradesh and West Bengal. Simultaneously, it was also the beginning of a period when coalition politics started at State level. The coalition governments were formed in many States, which included Bihar, Haryana, Kerala, Madhya Pradesh, Orissa, Uttar Pradesh and West Bengal. This was the time when certain issues of importance pertaining to Centre-State relations came into the fore both in the form of criticism of the functioning of existing mechanisms and processes as also because the regional political parties wanted to create their own niche in their respective regions. There were wide spread demands for providing greater autonomy for the States in their functioning particularly from non-Congress and other regional party led Governments. With the Congress Party having lost its political control in several parts of the country, the devices used earlier in maintaining harmonious Centre-State relationship could no longer be put to work. The subject acquired such a dimension as to be considered of sufficient importance to find a place in the Address of the then President, Dr. S. Radhakrishnan, to the Parliament on March 18, 1967. The President, while addressing the Joint Session of Parliament, observed³:

“For the first time since Independence, governments of political complexions different from that of the government at the Centre have been formed in several States. In a federal democratic polity, this is to be expected. Our Constitution has provisions defining and

² “Report of the National Commission to Review the Working of the Constitution (Venkatachaliah Commission)”

³ “Union-State Relations in India” by R.C.S. Sarkar, former Law Secretary, Government of India, and Chairman, Union Public Service Commission

regulating the relationship between the Union and the States and their mutual obligations. Further, over the years we have developed certain institutions for promoting cooperation, understanding and harmonious relations between the Union and the States, between one State and another. The National Developmental Council, the Zonal Councils and the periodic Conferences of the Governors and Chief Ministers are conspicuous examples of this nature.

The Union Government will respect the constitutional provisions in letter and spirit without any discrimination and endeavour to strengthen the arrangements for a co-operative approach to national problems. We are sure that all the States will extend their co-operation in serving these institutions and making their deliberations increasingly fruitful and beneficial both to the Union and to themselves. Strengthening the unity of the country, safeguarding security, preserving democratic institutions, and promoting economic development and the well-being and happiness of our people are the common objectives towards which the Union and the States must strive together”.

Co-existence through healthy relationship between the Centre and the States became a matter of the primary importance during this period, with the then Prime Minister, Smt. Indira Gandhi, noting⁴ the importance of working of a “*more vigorous practicing federalism* (in governance) *with multiple parties and coalitions in power*”. The “*more vigorous practicing federalism*”, articulated by Smt. Gandhi in 1967, however, underwent a change after the Parliamentary Elections in 1971. The huge success of the Congress Party in General Elections of 1971 was followed by even bigger success in the Assembly Elections that took place in 1972. With two-thirds majority in the Parliament and with the benefit of the “same party rule” in almost all the states, the same Prime Minister observed⁵ in 1972 that it was necessary that the state Governments should be “*in tune with the government at the Centre, accept its policies and be willing to implement its programme*”. These observations although brought in critical reactions, but at the same time set the tone for greater centralization of powers. The 42nd Amendment was passed during this period in the year 1976 which substantially altered the original character of the Constitution, leading it towards greater centralization of powers with Government of India.

Many political historians, including R.C.S. Sarkar in his book “Union-State Relations in India”, have observed that over centralization of powers in the hands of Union Government was one of the major reasons that resulted in the ouster of the Congress

⁴“Union-State Relations in India” by R.C.S. Sarkar, former Law Secretary, Government of India, and Chairman, Union Public Service Commission

⁵“Union-State Relations in India” by R.C.S. Sarkar, former Law Secretary, Government of India, and Chairman, Union Public Service Commission

Party in 1977 General Elections both at the Centre as well as in a large number of States. The Janata Party that came into power at the Centre in the post-emergency period in 1977, however, was a coalition essentially of the parties that were opposed to the Congress Party led by Smt. Indira Gandhi and the imposition of emergency, though not carrying the same and in many cases totally different political ideologies. At the same time with a host of non-Congress Governments in the States, there was obvious clamour and demand for greater autonomy for the States. Besides, several issues germane to 42nd Amendment were the subject matter of expression of opinion by a number of jurists, parliamentarians, editors and professional bodies. One of the significant suggestions uniformly made at that time was to provide for measures against the misuse of the Emergency provisions and to put the right to life and liberty on a secure footing. This and various other imbalances caused by some of the provisions of 42nd Amendment in the Constitution were corrected through the 44th Amendment, which was passed in the year 1978. However, with a weak coalition at the Centre and with its constituents coming from totally different political backgrounds, the Janata Party regime proved a short lived one and the people once again voted the Congress Party to power in 1980 at the Centre with a very large majority. Nevertheless, non-Congress coalitions continued in a large number of States till 1982 Assembly Elections, including in the North-East, giving strength to the forces of regionalism, resulting in the growth of a large number of regional parties. Non-Congress Governments in the States also started putting up a united front, demanding more administrative and fiscal autonomy. Around the same time, there were fissiparous forces at play in different parts of the country, seeking establishment of their own autonomous entities.

Earlier in 1969, the Administrative Reforms Commission, constituted by the Government of India, had submitted its report, substantial parts of which had focused on the steps to be taken for maintaining harmonious Centre-State relations. The Rajamannar Committee, appointed by the Government of Tamil Nadu, likewise had given its report in 1971, recommending greater autonomy for the States basically in legislative and fiscal matters. The Shiromani Akali Dal in Punjab, the Telugu Desam Party in Andhra Pradesh, the State Governments of West Bengal, Tamil Nadu and the North-East had all been demanding review of the overall Constitutional scheme of Centre-State relations. Simultaneously, the demand for total autonomy of Jammu & Kashmir by some elements was also being voiced. This situation prompted the then Prime Minister, Smt. Indira Gandhi, to announce in the Parliament on March 24, 1983, the constitution of the first Commission on Centre-State Relations, to be headed by Justice R.S. Sarkaria, a retired Judge of the Supreme Court of India. The Conclave of Chief Ministers of non-Congress

Governments and leaders of opposition held in Srinagar in October 1983 had once again echoed the need for a comprehensive review of Centre-State relations. The Sarkaria Commission submitted its report in 1988. Its recommendations and their implementation have been discussed in some detail subsequently in this Volume.

The events post Sarkaria overtook, in many respects, the political configuration, bringing economic issues to the fore-front. The economic crisis of 1990-91 prompted acceleration of the earlier liberalization process. Controls in many areas were removed and operation of the market largely restored. The entrepreneurship and management skills of the private sector were sought to be utilized in a greater measure in almost all activities. Similarly, more space in economic policy making was sought to be provided to the States. Other factors were also at work with profound impact on systems of governance everywhere. India like other countries was compelled to meet certain obligations as a result of its membership of international bodies in a fast globalizing world. The horror of terrorism around the world posed a serious threat to integrity, stability and peace for which action had to be taken through international co-operation. Similarly, global warming and environmental concerns stared every Nation in the face, calling for concerted action internationally. On the other hand, inadequacy of public services in critical areas like health and education, led to the demand for greater decentralization to bring Governments closer to the people with a view to ensure greater accountability. Although panchayats and municipalities existed, they were not endowed with adequate functions or resources of their own and were subjected to several controls. Supersessions were not uncommon and timely elections were not conducted. The Constitution was amended in 1993 to rectify the situation by giving these institutions Constitutional status, with the hope that they would function as a third-tier of governance, but empowering them adequately continued to remain a challenge. In many other respects the changes did not go far. Although the States were expected to perform functions on a scale larger than before, their access to tax powers and borrowing remained limited. The transfer system did help to alleviate the regional disparities in the levels of living and in public services to some extent, but sharp imbalances still remained. Also, while liberalization and restoration of the market helped to accelerate growth, regional disparities continues to exist. In an attempt to counter the possible ill effects on fiscal discipline, conditionalities came to be used increasingly with transfers. Fiscal discipline was sought to be imposed on State Governments by tying debt relief to enactment of fiscal responsibility laws. The proportion of Central revenues transferred to the States had increased substantially over the years and dependence of relatively backward States on transfers had gone up sharply. The planning strategy, it was argued, needed a radical shift to reduce regional disparities and

promote all round development. Politically, however, with the rise of regional parties and coalitions, States seemed to gain the upper hand in many matters. Centre's powers of intervention also came to be circumscribed by judicial pronouncements in several areas such as imposition of President's rule. The dictum of 'basic structure' of the Constitution propounded by the Supreme Court in the celebrated *Keshavananda Bharati* case also tied the hands of the Centre in important ways. The effect, *inter alia*, was that while the States felt handicapped in pursuing development programmes of their own for lack of adequate funds, the Centre found itself hamstrung even when there was serious breakdown in law and order in some areas. Besides, the growth of the common market which is one of the main factors driving Nations to come together to form federations or economic unions was unable to gain the momentum warranted by its potential, despite the mandate of freedom of trade, commerce and intercourse within the Indian Union envisaged in Article 301. Given this background, it was felt that another look at the entire gamut of Centre-State relations was called for. It may be useful to make a mention here about the issue of Centre-State relations in so far as the State of Jammu & Kashmir is concerned. In May 2006, at the initiative of the Prime Minister, Dr. Manmohan Singh, five Working Groups had been constituted to address socio-economic development and other subjects related to the State of J & K. One of these Groups, headed by Justice S. Saghir Ahmad, a retired Judge of the Supreme Court, was assigned the subject of Centre-State relations. It is learnt that the Chairman of this Group has submitted its report to the Government in December 2009.

Unlike the Sarkaria Commission which was constituted in the aftermath of consistent demands by some major political parties and opposition led State Governments, the constitution of this Commission was a pro-active step taken by the United Progressive Alliance (UPA-I) Government with a view to ensure more harmonious and healthier relationship between the Centre and the States in the future as well as for further strengthening of the third-tier of governance which had already been legally in existence since 1993, in many cases without the empowerment of the local body institutions as had been envisaged in the Constitution. The present Commission was thus constituted, under the Chairmanship of Shri Justice Madan Mohan Punchhi (Retd.), Former Chief Justice of India, to perform this task.

The Terms of Reference of this Commission have been given in detail later in this Volume, but the basic question that the Commission identified to be addressed

was: *“Are the existing arrangements governing Centre-State relations-legislative, executive and financial – envisaged in the Constitution, as they have evolved over the years, working in a manner that can meet the aspirations of the Indian society as also the requirements of an increasingly globalizing world? If not, what are the impediments and how can they be remedied without violating the basic structure of the Constitution?”*

The Report of the Commission, accordingly, addresses the above question and other related issues in all their hues and shades at great length in seven Volumes. The focus of the Commission during its numerous deliberations has consistently been on *‘as to what framework of relationship between the Centre and the States will strengthen the unity and integrity of the country and ensure India’s stability, security and economic growth and the welfare of her people’*. It is hoped that the recommendations that have emerged after thorough understanding of the issues, and have been based on a balanced approach, will see early implementation so as to ensure healthier, smoother and more harmonious working relationship between the Central Government and the State Governments of this great country in the future.

ACKNOWLEDGEMENTS

The mandate assigned by the Government to the Commission to have a comprehensive look on various aspects of Centre-State relations was both complex and multi-dimensional, particularly since this subject was being addressed after a gap of over two decades. Its achievement would not have been possible without the collaborative assistance, untiring efforts and selfless service of various individuals and institutions. The list of the support elements who helped the Commission in efficiently completing its task of preparing this Report is so large that it would have been well-nigh impossible to record separate acknowledgement for each and every one.

At the very outset, the Commission has great pleasure in acknowledging the support and advice received from the administrative Ministry, i.e., the Ministry of Home Affairs, from time-to-time. The meetings held with the Home Ministers, Shri Shivraj V. Patil and Shri P. Chidambaram, on different occasions, were extremely productive and the advice received highly beneficial. Likewise, interactions with the Union Home Secretaries, Shri Madhukar Gupta and Shri G.K. Pillai, and other senior officers of the Ministry of Home Affairs were always fruitful.

The first task of the Commission was to formulate the issues in a consultative and participatory manner. For this purpose, the Commission devised a draft Questionnaire, covering its Terms of Reference and circulated the same to various stakeholders for their views and inputs. The Commission places its deep gratitude to all the stakeholders, namely the State Governments, the Union Territory Administrations, the Central Ministries/ Departments, the Political Parties, the Constitutional and other Subject Matter Experts, Universities, Academic and Research Institutions and Civil Society Representatives, besides the Members of the Public, who enlightened the Commission with their valuable comments and suggestions, on the basis of which the final Questionnaire was prepared. It was heartening to receive practical advice from the general public on several issues having bearing on Centre-State relations. The Commission is grateful to all the above mentioned stakeholders for their well considered responses to the final Questionnaire which helped the Commission a great deal in preparing its Report and firming up its recommendations on various issues. The Commission also wishes to thank the Secretaries and other senior officers of various Ministries and Departments of the Government of India who made

presentations on the key issues pertaining to Centre-State relations in their respective jurisdiction before the Commission and provided useful insight into several current and emerging problems, thus helping the Commission to include some of these issues in the final Questionnaire.

The Commission had constituted eight Task Forces on the subjects in which the issues and questions had been grouped. The details regarding the Mentors, Chairpersons, Co-Chairpersons, Members and Special Invitees of the Task Forces are covered in Paragraph 2.3.02 in Chapter 2 on 'Approach and Methodology' in this Volume. The Commission is particularly grateful to the Eminent Jurist, Shri Fali S. Nariman, for kindly acceding to the request of the Commission to be the Mentor of two important Task Forces on the subjects of 'Constitutional Scheme of Centre-State Relations' and on 'Criminal Justice, National Security and Centre-State Cooperation'. As would be seen from Appendix XVI, highly eminent, distinguished and knowledgeable persons served on these Task Forces and that too on an honorary basis. The Commission places its deep appreciation for the hardwork put in by them and for making extremely valuable contribution through their respective reports which in many ways facilitated the Commission in arriving at its recommendations. It will be in fitness of things to put on record that the Task Forces truly acted as 'knowledge partners' of the Commission in this monumental task.

The Commission also awarded nine Research Studies on certain key topics involving Constitutional issues relevant to the subject of Centre-State relations to some eminent Subject Matter Experts and Academic and Research Institutes of repute. A list of such Studies and the names of Institutes and individuals are given in Paragraphs 2.4.01 and 2.4.02 in Chapter 2 on 'Approach and Methodology' in this Volume. The Commission has greatly benefited from the reports of these studies which were based on exhaustive research of the relevant material and its in-depth analysis. The Commission sincerely thanks the institutes and the individuals involved in conducting these Studies for the timely submission of the reports.

The Commission held seven Regional Consultations on different subjects based on the groupings of its Questionnaire. While deciding the topics for these Consultations, the subjects germane to the particular region were selected with a view to have focused discussions. These Consultations were held at Thiruvananthapuram, Shillong, Chandigarh, Bhubaneswar, Dehradun, Goa and Lucknow, between March 2008 and July 2009. The Commission places on record its deep appreciation for the State Governments

and other institutions for providing full assistance in the successful organization of these Regional Consultations. The Commission is also grateful to the Hon'ble Governors, Hon'ble Chief Ministers, other Hon'ble Ministers, Chief Secretaries, Director Generals of Police, Vice Chancellors of Universities, other luminaries representing the Universities, the Academic and Research Institutions, the Civil Society and the Non-Governmental Organizations (NGOs) and the other senior officers and the supporting staff of the State Governments for finding time from their busy schedules to participate, share their experiences and give valuable suggestions at these Consultations. The details regarding the participants at these seven Consultations are covered in Paragraph 2.5.01 in Chapter 2 on 'Approach and Methodology' in this Volume. The Commission expresses its gratitude to each one of the participants for their inputs to the fruitful discussions and equally fruitful conclusions at these Consultations.

The Commission all along received able administrative support from the officers and the staff of the Inter-State Council Secretariat (ISCS). During the Commission's tenure of three years, the Secretaries, namely Shri Amitabha Pande, Shri Ravi Dhingra and Shri Mukul Joshi, at different periods, provided full assistance and help to the Commission not only by attending to the Commission's needs and requirements but also by placing all possible resources at its disposal. In addition, Special/Additional Secretaries & Advisers (ISCS), namely, Shri Shashi Prakash, Shri S.D. Sharma, and Smt. Veena Upadhyaya, at different periods, also provided full support and unstinted cooperation to the Commission. Likewise, Shri Mukul Joshi while serving as Additional Secretary & Advisor (ISCS), before becoming Secretary (ISCS/CCSR), also actively worked for the Commission. Besides administrative support, the valuable inputs of these senior officers in the meetings of the Commission and in the meetings of the Task Forces are also greatly appreciated. The fact that the ISCS had to support the Commission in addition to their normal duties has also to be recognized.

Shri S.D. Sharma after his superannuation was specially appointed in the Commission as Consultant, keeping in view his very rich experience on the subject of Centre-State relations. Shri Sharma was instrumental in compiling the entire material received in response to the Commission's Questionnaire, subject wise as well as Questionnaire wise, which greatly facilitated the Commission in formulating its recommendations. Besides Shri Sharma, Shri V. Venkatesan, Consultant, and Shri K. Parmeshwar, Dr. (Ms.) A. Mallika Joseph, Shri Mohit Abraham, Ms. Aparna B., and Ms. Jasdeep Randhawa, all Research Assistants, also contributed significantly in collection of the study material and compiling

of the relevant information for the writing of the Commission's Report. The Commission would also like to thank Dr. G.R. Reddy IES (Retd.), and Shri Arbind Modi, IRS, for their inputs regarding Volume III relating to "Centre-State Financial Relations and Planning".

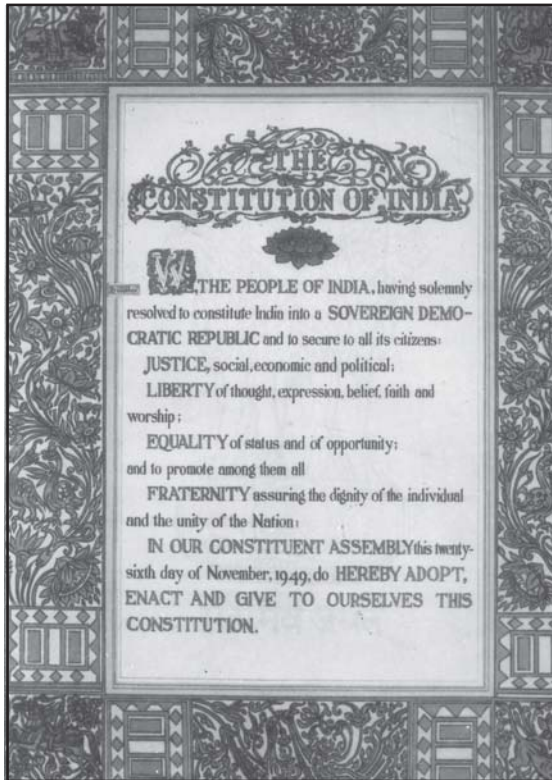
The other senior officers, both in the Commission and the Inter-State Council Secretariat (ISCS), also worked very hard and tirelessly throughout the entire tenure of the Commission. Specific mention may be made here to the efforts put in by the Directors, Shri Amitabh Kharkwal, Shri B. Jana, Shri K.P. Mishra, Shri T.N. Sansi, Shri J.B. Sinha and Smt. Renuka Jain Gupta and the Deputy Secretaries, Shri K. Muthukumar, Shri Randhir Singh, Shri M. Ramalingam, Shri Amaresh Singh, Shri R. Vaidyanathan and Smt. Pramila Raghvendran in this regard. Besides, the Commission is also highly appreciative of other officers such as the Under Secretaries, the Section Officers and the support staff of both the Commission and the ISCS in contributing a great deal for the smooth running of the Commission. The list of the officials, who did commendable job, however, does not end here. The Commission wishes to place on record the excellent service rendered by the personal staff attached to the Chairperson, the Members and the Secretary (ISCS/CCSR). In this regard, the Commission would like to specifically mention the names of Shri B.S. Khera, Senior Principal Private Secretary, Smt. Rani Seth, Private Secretary, and Shri Vinod Kumar, Personal Assistant, who worked with the Chairperson, S/Shri I.J. Lakhanpal, M.M. Sharma, T.S. Bhumbrah, Satinder Kumar, S.S. Sachdeva and Daya Singh, all Private Secretaries, who worked with the Members and Smt. Raj Kumari Kewlani, Principal Staff Officer, Shri Inder Jeet Arora, Private Secretary, and Shri K.B. Wadhwa, Personal Assistant, who worked with the Secretary (ISCS/CCSR). A list of the officers and the clerical staff of the Commission and the ISCS is placed as an Appendix (Sl. No. XXI) in this Volume. In nutshell, the Commission is happy to acknowledge the dedicated and painstaking work put in by all the officers and staff of the Commission and the ISCS.

Last but not the least, the Commission is also grateful to the officers and staff of the Lok Sabha Secretariat, particularly Shri Rajeev Sharma, Director, for their help in providing some of the historical photographs for inclusion in the Report of the Commission. A few of the photographs have also been taken from the website <http://symbiosis-ambedkarmemorial.com>, which are also duly acknowledged by the Commission.

As mentioned in the beginning itself, it will almost be impossible to acknowledge the contribution of each and every individual by name. While the Commission has taken care to acknowledge the contribution made by various institutions and

individuals, it is possible that some names may have been left out inadvertently. As such the Commission would like to record its sincere thanks for the help and support provided to the Commission by all such institutions and individuals.

The Preamble to the Constitution of India



The original Preamble as above was amended by the Constitution (Forty-second Amendment) Act, 1976, with effect from January 3, 1977, to read as follows:

THE CONSTITUTION OF INDIA

PREAMBLE

WE, THE PEOPLE OF INDIA, having solemnly resolved to constitute India into a, SOVEREIGN SOCIALIST SECULAR DEMOCRATIC REPUBLIC and to secure to all its citizens:

JUSTICE, social, economic and political;

LIBERTY of thought, expression, belief, faith and worship;

EQUALITY of status and of opportunity;

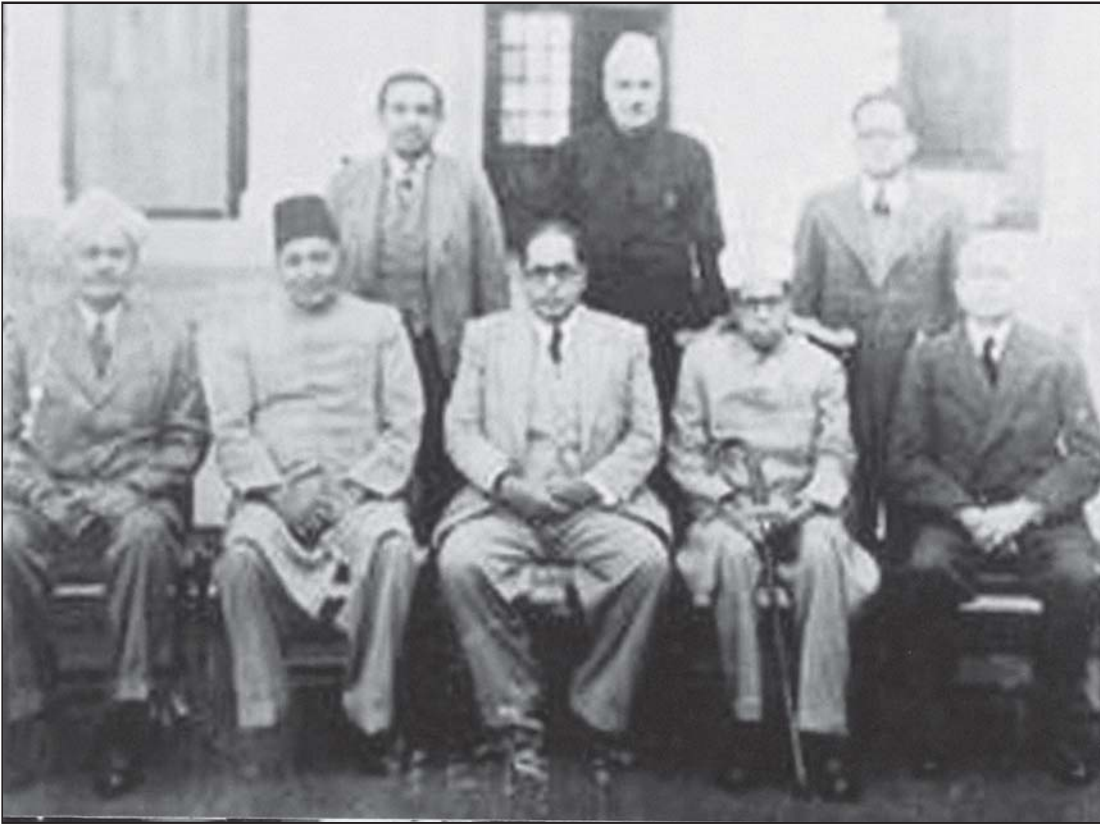
and to promote among them all

FRATERNITY assuring the dignity of the individual and the unity and integrity of the Nation;

IN OUR CONSTITUENT ASSEMBLY this twenty-sixth day of November, 1949, do HEREBY ADOPT, ENACT AND GIVE TO OURSELVES THIS CONSTITUTION.



Pandit Jawaharlal Nehru addressing the Inaugural Session of the
Constituent Assembly on December 13, 1946.
(The Group Photograph of the Members of the Constituent Assembly
is placed inside the back cover of this Volume.)



Dr. B. R. Ambedkar, Chairman, Drafting Committee of the Indian Constitution, with other Members:
(Sittings from left).... Shri N. Madhava Rao, Syed Muhammad Saadulla, Dr. Ambedkar, Shri Alladi
Krishnaswami Ayyar and Sir Benegal Narsing Rau
(Standing from left).... Shri S. N. Mukharjee, Shri Jugal Kishore Khanna and Shri Kewal Krishnan



Pandit Jawaharlal Nehru addressing the Midnight Session of the Constituent Assembly
on August 14/15, 1947



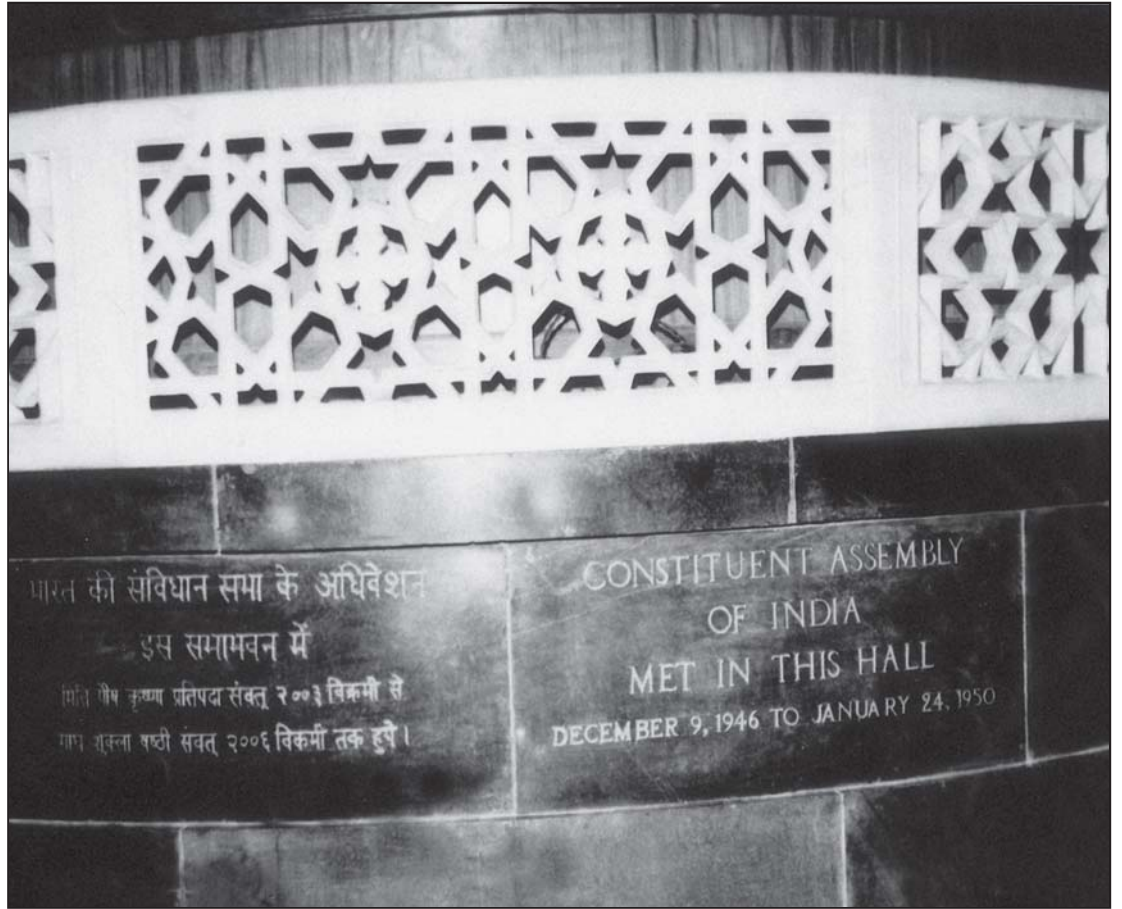
Dr. B. R. Ambedkar, Chairman, Drafting Committee, presenting the Draft of the Constitution to Dr. Rajendra Prasad, President Constituent Assembly (February, 1948)



Pandit Jawaharlal Nehru, Prime Minister, signing the Constitution of India on January 24, 1950.



Dr. Rajendra Prasad, President, Constituent Assembly, signing the Constitution of India, as passed by the Constituent Assembly, on January 24, 1950



भारत की संविधान सभा के अधिवेशन
इस सभागृह में
मिर्ता गौष कृष्ण प्रतिपदा संवत् २००३ विक्रमी से
गण शकना षष्ठी संवत् २००६ विक्रमी तक हुए।

CONSTITUENT ASSEMBLY
OF INDIA
MET IN THIS HALL
DECEMBER 9, 1946 TO JANUARY 24, 1950

Central Hall of Parliament where meetings of the Constituent Assembly used to be held

CHAPTER 1
INTRODUCTORY
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1

INTRODUCTORY

1.1. The Background

1.1.01. After the 14th Lok Sabha Elections that were held in April-May 2004, a multi-party alliance called the United Progressive Alliance (UPA) was formed, with the Congress President, Smt. Sonia Gandhi, as its Chairperson. This alliance became the ruling alliance and the UPA Government came into power in May 2004, with Dr. Manmohan Singh as the country's Prime Minister. The UPA Government brought out a National Common Minimum Programme (NCMP) in May 2004 itself outlining its principles and priorities. The NCMP in its 'Introduction' Paragraph stated:

"The UPA makes a solemn pledge to the people of our country: to provide a government that is corruption-free, transparent and accountable at all times, to provide an administration that is responsible and responsive at all times".

Flowing from this commitment, a separate Section on 'Regional Development, Centre-State Relations' (Extracts at Appendix I) was included in the NCMP which, *inter-alia*, mentioned :

"The Sarkaria Commission had last looked at the issue of Centre-State relations over two decades ago. The UPA Government will set up a new Commission for this purpose keeping in view the sea-changes that have taken place in the polity and economy of India since then".

In fact, several other segments of the NCMP were also dedicated to and carried a definite bearing on Centre-State relations.

1.1.02. In pursuance to the above commitment made in the NCMP, the Government of India decided to set up the present Commission on Centre-State Relations in September 2005, vide Ministry of Home Affairs Notification dated the September 30, 2005, (Appendix II). The Commission was to consist of a full-time Chairperson and four full-time Members. The Commission, however, actually got constituted in April 2007, vide Ministry of Home Affairs Notification dated the April 27 2007 (Appendix III), with the

appointment of the Chairperson and three Members of the Commission as under:

- (i) Shri Justice Madan Mohan Punchhi (Retd.), - Chairperson
Former Chief Justice of India
- (ii) Shri Dhirendra Singh, IAS (KN:68) (Retd.), - Member
Former Secretary to the Government of India
- (iii) Shri Vinod Kumar Duggal, IAS (AGMU: 68) (Retd.), - Member
Former Secretary to the Government of India
- (iv) Dr. N.R. Madhava Menon, - Member
Former Director, National Judicial Academy, Bhopal,
and National Law School of India, Bangalore

Shri Dhirendra Singh, who had been appointed earlier as the Secretary of the Commission to do some preparatory work ceased to be its Secretary with his appointment as a Member.

1.1.03. Dr. Amaresh Bagchi, Emeritus Professor, National Institute of Public Finance and Policy, New Delhi, was added as the fourth Member of the Commission in July 2007, vide Ministry of Home Affairs Notification dated the July 3, 2007 (Appendix IV). With the unfortunate passing away of Dr. Bagchi in February 2008, Shri Vijay Shanker, IPS (UP:69) (Retd.), Former Director, Central Bureau of Investigation, Government of India, was appointed in his place as a Member of the Commission in October 2008, vide Ministry of Home Affairs Notification dated the October 17, 2008, read with the Corrigendum dated the November 17 2008 (Appendices V & VI).

1.1.04. The Chairperson of the Commission was accorded the status of Union Cabinet Minister, while the Members were accorded the status of Union Minister of State, vide Ministry of Home Affairs Office Memorandums dated the July 31, 2007 and the December 17, 2008 (Appendices VII & VIII).

1.2. Events leading to the Setting up of the First Commission on Centre-State Relations and its Terms of Reference

1.2.01. Looking back and as is well known, in the first three decades after the independence centralization of powers had been accentuated due to various factors such as the predominance of a single political party at the Centre as well as in the States; adoption of planning as a strategy of National development in which investment decisions determined by the Union, albeit through a consultative process, generally set the priorities for State budgets; the system of industrial licencing and control; and nationalization of

major banks. The trend of judicial pronouncements during this period also tended to follow a similar spirit. The Finance Commission appointed periodically, however, did endeavour to give even handed dispensation to the States in the matter of revenue sharing.

1.2.02. While the polity enjoyed stability, barring insurgency in some areas, and the economy began to register a decent growth after a long period of stagnation, things started changing by the close of the seventies, the symptoms of which had already been appearing since late sixties. One party rule started giving way to other parties and regional formations. The growth momentum also faltered. Some sections expressed their concern about the efficacy of overly centralized planning in sustaining growth at a rapid pace. States became vocal in their perception of the contraction of their powers and excessive use of emergency provisions by the Centre. Taking note of these developments, the Centre appointed a high level Commission in 1983, Chaired by Justice R.S. Sarkaria, to examine the working of Centre-State relations.

1.2.03. The Terms of Reference of the Sarkaria Commission to review the working of the existing arrangements between the Union and States, read as⁶ :

“The Commission will examine and review the working of the existing arrangements between the Union and States, in regard to powers, functions and responsibilities in all spheres and recommend such changes or other measures as may be appropriate.

In examining and reviewing the working of the existing arrangements between the Union and States and making recommendations as to the changes and measures needed, the Commission will keep in view the social and economic developments that have taken place over the years and have due regard to the scheme and frame-work of the Constitution which the founding fathers have so sedulously designed to protect the independence and ensure the unity and integrity of the country which is of paramount importance for promoting the welfare of the people”.

1.2.04. The Sarkaria Commission, accordingly, made a thorough enquiry into the subjects based primarily on the above Terms of Reference and submitted its Report in 1988. The Commission came out with wide ranging recommendations, many of which were accepted and implemented by the Government. The import of Sarkaria Commission’s Report has been covered at a greater length in a separate Chapter on ‘The First Commission on Centre-State Relations’ later in this Volume.

⁶ “Part I of the Report of the First Commission on Centre-State Relations (Sarkaria Commission)”

1.3. Need for Setting up the Present Commission on Centre-State Relations and its Terms of Reference

1.3.01. However, much had happened since then in the realm of Centre-State relations. Several new and vital issues had arisen in the wake of major social, economic, political and security developments in the country over the past two decades or so. These developments and issues have been discussed in detail in a subsequent Chapter on ‘The Present Commission on Centre-State Relations’ in this Volume.

1.3.02. Given this background and with ever growing aspirations of the States and in some cases the concerns of the Central Government, it was felt by the Government of India that time had come to have another comprehensive look at the entire gamut of Centre-State relations so that a further positive headway can be made on this important subject. This was also the reason for assigning this Commission a much wider range of Terms of Reference⁷, which read as:

- (i) *The Commission will examine and review the working of the existing arrangements between the Union and States as per the Constitution of India, the healthy precedents being followed, various pronouncements of the Courts in regard to powers, functions and responsibilities in all spheres including legislative relations, administrative relations, role of governors, emergency provisions, financial relations, economic and social planning, Panchayati Raj institutions, sharing of resources; including inter-state river water and recommend such changes or other measures as may be appropriate keeping in view the practical difficulties.*
- (ii) *In examining and reviewing the working of the existing arrangements between the Union and States and making recommendations as to the changes and measures needed, the Commission will keep in view the social and economic developments that have taken place over the years particularly over the last two decades and have due regard to the scheme and framework of the Constitution. Such recommendations would also need to address the growing challenges of ensuring good governance for promoting the welfare of the people whilst strengthening the unity and integrity of the country, and of availing emerging opportunities for sustained and rapid economic growth for alleviating poverty and illiteracy in the early decades of the new millennium.*

⁷ “Ministry of Home Affairs Notification dated the September 30, 2005” (Appendix II)

(iii) *While examining and making its recommendations on the above, the Commission shall have particular regard, but not limit its mandate to the following:-*

- (a) *The role, responsibility and jurisdiction of the Center vis-à-vis States during major and prolonged outbreaks of communal violence, caste violence or any other social conflict leading to prolonged and escalated violence.*
- (b) *The role, responsibility and jurisdiction of the Center vis-à-vis States in the planning and implementation of the mega projects like the inter-linking of rivers, that would normally take 15-20 years for completion and hinge vitally on the support of the States.*
- (c) *The role, responsibility and jurisdiction of the Center vis-à-vis States in promoting effective devolution of powers and autonomy to Panchayati Raj Institutions and Local Bodies including the Autonomous Bodies under the 6th Schedule of the Constitution within a specified period of time.*
- (d) *The role, responsibility and jurisdiction of the Center vis-à-vis States in promoting the concept and practice of independent planning and budgeting at the District level.*
- (e) *The role, responsibility and jurisdiction of the Center vis-à-vis States in linking Central assistance of various kinds with the performance of the States.*
- (f) *The role, responsibility and jurisdiction of the Center in adopting approaches and policies based on positive discrimination in favour of backward States.*
- (g) *The impact of the recommendations made by the 8th to 12th Finance Commissions on the fiscal relations between the Centre and the States, especially the greater dependence of the States on devolution of funds from the Centre.*
- (h) *The need and relevance of separate taxes on the production and on the sales of goods and services subsequent to the introduction of Value Added Tax regime.*
- (i) *The need for freeing inter-State trade in order to establish a unified and integrated domestic market as also in the context of the reluctance of State Governments to*

adopt the relevant Sarkaria Commission's recommendation in chapter XVIII of its report.

- (j) *The need for setting up a Central Law Enforcement Agency empowered to take up suo moto investigation of crimes having inter-State and/or international ramifications with serious implications on national security.*
- (k) *The feasibility of a supporting legislation under Article 355 for the purpose of suo moto deployment of Central forces in the States if and when the situation so demands.*

What is important to be noted in this context is that while specifying the parameters for this exhaustive study, the Government advised that *the Commission shall have particular regard, but not limit its mandate to...*, and hence expected it to look at all other related and relevant areas also.

1.4. Tenure of the Commission

1.4.01. Although as per the first Notification dated the September 30, 2005, the Commission was expected to submit its report within a period of two years, going by the quantum and the scope of the work and after discussion with the former Home Minister, Shri Shivraj V. Patil, it had been tentatively agreed that the Commission will require at least four years for the completion of its mandate. Accordingly, most budgetary proposals of the Commission were also sanctioned by the Ministry of Home Affairs from time to time based on this assumption. The Government, however, later decided that the Commission should submit its Report by March 31, 2010. The Commission, accordingly, revised its work plan to submit the Report as per the date prescribed by the Government. Certain resultant important nuances in the process having impact on the Report because of the revised time frame have been discussed at some length in the Chapter 2 on 'Approach and Methodology' in this Volume.

1.5. Composition of the Report

1.5.01. The Report of this, the Present Commission on Centre-State Relations, has been divided into eight Volumes. This, the first Volume, deals with the evolutionary process of this relationship. The other Volumes are:

Volume II : Constitutional Governance and the Management of Centre-State Relations

Volume III : Centre-State Financial Relations and Planning

Volume IV : Local Self Governments and Decentralized Governance

Volume V : Internal Security, Criminal Justice and Centre-State Cooperation

Volume VI : Environment, Natural Resources and Infrastructure

Volume VII : Socio-Economic Development, Public Policy and Good Governance

The last or the eighth Volume will give the summary of the Report and contain the recommendations of the Commission in a consolidated form. There are also four Supplementary Volumes to the Report which cover, in greater detail, the discussions on the above and related subjects. These discussions have been used in somewhat concise a manner in the main Report. The approach and methodology in preparing the Report has been covered separately subsequently in this Volume.

1.5.02. Harmonious relationship between the Centre and the States will always be a key to the unity and integrity of this great country. Particularly now, with multi-party Governments operating both at the Union and State levels, ensuring healthy relations between the two tiers will be critical for the stability, security and economic growth of India and for welfare of her people. As a matter of fact with the passage of 73rd and 74th Amendments to the Constitution in 1993, with the objective of taking governance to the people at grass roots level, the role of the third-tier, the panchayats and the municipalities, in the overall governance scheme and its relationship with the State and Central Governments has assumed equal, if not greater, importance.

1.6. The Constraints

1.6.01. As is common with such Commissions, which are constituted for specific purpose from time to time, this Commission also faced several logistical handicaps all through its existence. Although the Commission was constituted in April 2007, there was no Secretary or even a Joint Secretary for the first few months to provide assistance during the initial setting up period. It was only in the month of July 2007, that the Secretary of Inter-State Council Secretariat (ISCS) was given additional charge to look after the work of the Commission. As a matter of fact, till the submission of this Report, no full-time Secretary or even the Joint Secretary, the posts that had initially been sanctioned by the Government, was provided to the Commission. It is, however, not to say that the ISCS support was lacking in any respect. The ISCS under the three Secretaries at different times did their best to attend to the Commission's work. In addition, suitable residential

accommodation for the Chairperson could not be provided during the full tenure of the Commission, with the result that the Chairperson had to function from his camp office at Chandigarh for the entire period of three years. Further, on the sad demise of Dr. Amaresh Bagchi, the Commission's strength was reduced to four and the full complement was restored only after a gap of eight months. Likewise, due attention was not paid to look after the interests of the support/secretarial staff of the Commission. In fact, the staff had to go without salary for more than three months during the crucial period of July-October 2009, when the Report was being written, affecting their motivation and morale. Even the approval that came in October 2009, left much to be desired when compared with the terms and conditions of appointment of the support/secretarial staff of the other similar Commissions. These observations have been made not as a matter of complaint or criticism, but as a suggestion that care should be taken by the Government in future that when such high level Commissions are appointed, appropriate back-up apparatus is also simultaneously provided to them to facilitate their smooth functioning. In this context, it may not be out of place to mention that the Commission functioned with only about 45 support staff as compared to the originally sanctioned strength of 65, thus resulting in substantial savings to the Government exchequer. The Commission is happy to record that inspite of the above constraints, it was able to complete the work assigned to it in a most satisfactory manner.

CHAPTER 2
APPROACH AND METHODOLOGY
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2

APPROACH AND METHODOLOGY

2.1. The Basic Approach

2.1.01. The Notification of September 2005, announcing Government's decision to constitute this Commission, had also specified its working parameters. The Notification⁸, *inter alia*, stated:

“The Commission will devise its own procedure for the discharge of its functions, and the Commission may, if it deems it necessary so to do, have investigation or examination of such matters as it may deem fit to be made in such manner and by such persons as it may consider appropriate”.

2.1.02. As noted earlier, the Commission actually got constituted in April 2007, with the appointment of the Chairperson and the three Members. For the first few months, the Commission worked with skeleton staff and minimal secretarial assistance and as such it took some time to set up the necessary office infrastructure. This period was also used to collect and study the existing material related to Centre-State relations with particular regard to the Terms of Reference. It was only in July 2007, when the Government decided that the Secretary of the Inter-State Council Secretariat (ISCS) will hold additional charge as Secretary of the Commission, with the ISCS staff extending secretarial support to the Commission in addition to their existing responsibilities, that the work of the Commission got under way in right earnest.

2.1.03. The first task before the Commission was to decide its approach and methodology to fulfil the mandate given by the Government. While working out the approach and methodology for its study, the Commission kept in mind the advice of the Government as mentioned in Paragraph 2.1.01 above. After extensive internal discussions, and going by the significance of the subject, the Commission decided to adopt a participatory and consultative approach for the completion of its task. The inspiration for this procedure had also come from the approach adopted by the Sarkaria Commission. Besides, the Government Notification of September 2005 had also given clear support to

⁸ “Ministry of Home affairs Notification dated the September 30, 2005” (Appendix II)

this procedure. The Notification⁹, *inter alia*, included:

“The Ministries and Departments of the Government of India shall furnish such information and documents and provide assistance as may be required by the Commission from time to time. The Government of India trusts that the State Governments and the Union Territory Administrations and others concerned will extend their fullest cooperation and assistance to the Commission.”

2.1.04 The basic approach having been decided, the Commission evolved the following methodology to achieve its mandated task:

- (a) To start with, prepare a draft Questionnaire with a view to receive inputs from all stakeholders such as, the State Governments, the Central Ministries/ Departments, Political Parties, Constitutional Experts, Universities, reputed Academic and Research Institutions, etc. For this purpose it was also decided to invite key Ministries for making presentations on the related important issues as essential input for the preparation of the draft Questionnaire.
- (b) To prepare the final Questionnaire after taking into account the views and suggestions received from various stakeholders and then circulate the same to them with a view to elicit their responses and inputs.
- (c) To invite the views and the suggestions from the members of the public by issuing a Public Notice in the national print media.
- (d) To constitute Task Forces consisting of eminent domain experts corresponding to specific areas under which the Terms of Reference were to be grouped.
- (e) To commission analytical and empirical studies on specific and vital constitutional issues having significant bearing on Centre-State relations through Academic and Research Institutes of repute.
- (f) To carry out consultations through Regional Workshops on subjects mainly germane to the particular regions of the country to get a first hand understanding of the problems at the grass roots level, with particular focus on the Terms of Reference.
- (g) To carry out internal analysis and assessment of the issues based on the feedback and inputs received through above procedure with a view to tentatively firm up the Commission’s broad line of thinking.
- (h) To visit a few large democracies with federal set up and the Forum of Federations, Canada, to gain knowledge of the best practices in Centre-State relationship being followed elsewhere.

⁹ “Ministry of Home affairs Notification dated the September 30, 2005” (Appendix II)

- (i) To hold one-to-one in depth discussions with the stakeholders, i.e., the State Governments, the Central Ministries/Departments, the Constitutional and Domain Experts, Universities, Civil Society Representatives and major Political Parties, with a view to arrive at correct and practical conclusions.
- (j) And finally, based on the extensive research and consultations, to dedicate the last about nine months or so of the tenure of the Commission for finalization and submission of the Report to the Government.

2.1.05. It may thus be seen that work of the Commission, according to the methodology decided as above, was to be broadly completed into two phases. The first phase included building of the entire information pertaining to the subject and thereafter to carry out internal analysis of the issues based on the inputs received from different stakeholders with a view to arrive at a tentative line of thinking. The time plan for this phase was worked out in the beginning and it was considered that the Commission will require at least two years for this purpose. The second phase included one-to-one in depth consultation with the stakeholders, such as the State Governments, Central Ministries/Departments, Constitutional Experts and major Political Parties, visit to some other countries having federal set up and the Forum of Federations in Canada, and preparation and submission of the Report. Another two years were considered to be a minimum requirement for this phase.

2.1.06. The details of the approach and methodology adopted and the work plan of the Commission are briefly discussed in the following Paragraphs.

2.2. The Questionnaire

2.2.01. Considering the very wide range of Terms of Reference given by the Government, starting July 2007, the Commission met regularly for the next about five months to prepare the draft Questionnaire based on the Terms of Reference, the current and emerging issues and other important related aspects of Centre-State relations. One of the criticisms in respect of the Sarkaria Commission had been that¹⁰ “... *the members of the Commission should have been appointed and its terms of reference drawn up only after consultation with the State Governments and opposition parties in Parliament. The main grievance appears to be that the terms of reference lay one-sided emphasis on the unity and security of India and a strong Centre without giving due recognition to strengthening the autonomy of the States?*”. To ward off similar criticism in respect of this Commission’s work particularly since its Terms of Reference also had been finalised by the Government of India without prior consultation, a conscious

¹⁰ “Union-State Relations in India” by R.C.S. Sarkar, former Law Secretary, Government of India, and Chairman, Union Public Service Commission

decision was taken to circulate the draft Questionnaire to all the stakeholders including the State Governments, the Central Ministries/Departments, major Political Parties, Constitutional Experts and other reputed Institutions for inputs, if any, so that *ab initio* all stakeholders could have a say on the issues to be examined. The draft Questionnaire was, accordingly, circulated to the above-mentioned stakeholders in December 2007.

2.2.02. Earlier, in October 2007, a Public Notice was also issued by the Commission in the national print media, giving the details of the Terms of Reference of the Commission and inviting the views and the suggestions from the members of the public interested in the subject. Several responses were received as a result of this effort and the inputs given therein were taken note of by the Commission. A copy of the public notice is Appendix IX.

2.2.03 A copy of the draft Questionnaire had also been sent to the then Home Minister, Shri Shivraj V. Patil. In February 2008, when the Home Minister met the Commission to discuss and give his views on the draft Questionnaire, the occasion was utilized to take his advice on the methodology that the Commission had decided to follow as well as the likely time frame of four years the Commission would need for the completion of its task. The Home Minister was in agreement with the proposed course of action and the time frame and felt that the challenge before the Commission was to synthesize various viewpoints and strive to achieve moderation, calibration and balance. The Home Minister had added that since it was an arduous task, requiring extensive study and consultations with a very wide range of stakeholders, the proposed methodology appeared to be perfect and should succeed in eliciting the different viewpoints of the States, the Central Ministries/Departments, the wide Political spectrum, Constitutional Experts and Civil Society at large. The exercise would enable the Commission to present a well considered comprehensive document on this important and sensitive subject that can help ensure healthier Centre-State relations in the future.

2.2.04. Apart from inviting the views/comments of the various stakeholders on the draft Questionnaire, presentations by the Secretaries/senior officers of various key Ministries, like the Ministry of Home Affairs, Ministry of Mines, Ministry of Water Resources, Ministry of Urban Development, Ministry of Panchayati Raj, etc., were also organized in the Commission as a part of the consultative process to identify the key issues on Centre-State relations in their respective areas.

2.2.05. The first few months of 2008 were, *inter alia*, spent in regular follow-up with the various stakeholders for obtaining their responses, while simultaneously working on finalization of the Questionnaire. The responses received were analysed and discussed in the Commission on a regular basis and the Questionnaire (Appendix X) was finalized and circulated in May 2008, to the following stakeholders:

- i) 35 State Governments/UT Administrations (Appendix XI)
- ii) 81 Central Ministries/Departments (Appendix XII)
- iii) 25 Political Parties (Appendix XIII)
- iv) University Grants Commission
- v) 75 Universities (Appendix XIV)
- vi) 39 other Institutions/Organizations (Appendix XV)

The responses received were compiled subject-wise and analysed and evaluated by the Commission subsequently. The responses received from the stakeholders have been included in a separate Supplementary Volume to this Report.

2.3. The Task Forces

2.3.01. As decided earlier, eight Task Forces, corresponding to the areas under which the Terms of Reference had been grouped, were constituted as under:-

- | | |
|------------------|--|
| Task Force No. 1 | : Constitutional Scheme of Centre-State Relations |
| Task Force No. 2 | : Economic and Financial Relations |
| Task Force No. 3 | : Unified and Integrated Domestic Market |
| Task Force No. 4 | : Local Governments and Decentralized Governance |
| Task Force No. 5 | : Criminal Justice, National Security and Centre-State
Co-operation |
| Task Force No. 6 | : Natural Resources, Environment, Land and Agriculture |
| Task Force No. 7 | : Infrastructure Development and Mega Projects |
| Task Force No. 8 | : Socio-Political Developments, Public Policy and
Governance and Social, Economic and Human Development |
- (Initially, two Task Forces, Task Force No. 8 on ‘Socio-Political Developments, Public

Policy and Governance’ and Task Force No. 9 on ‘Social, Economic and Human Development’, were constituted. However, later on these two Task Forces were merged into a single Task Force).

2.3.02. The selection of suitable persons for constituting the Task Forces was a laborious and time consuming task as the Commission had to look for eminent and distinguished domain experts in various fields, keeping in view the importance of the subjects. Moreover, the Task Force Members were to work in an honorary capacity, except for payment of TA/DA and a nominal sitting fee. A lot of personal effort, therefore, had to be made by the Members themselves in this regard to get the right experts. The Task Force wise list of Mentors, Chairpersons, Co-Chairpersons, Members and Special Invitees is at Appendix XVI.

2.3.03. The Plenary Meeting of all the Task Forces was organised on June 30, 2008. In this meeting, the role of the Task Forces as the Commission’s ‘Knowledge Partners’ was dilated upon and their work plan discussed. A copy of the Address delivered by Shri Justice Madan Mohan Punchhi (Retd.), Chairperson, to the members of the Task Forces and the officers of the Commission at this meeting is at Appendix XVII. The Task Forces, accordingly, held their meetings thereafter at regular intervals. These meetings were, generally, attended by the Members of the Commission also whenever possible to facilitate and guide the discussions, if required. In all, a total of 61 meetings of the eight Task Forces were held to finalize their respective reports. A separate Compendium of the reports of the eight Task Forces is being submitted as a Supplementary Volume to this Report.

2.4. The Research Studies

2.4.01. The Commission also awarded nine studies, as per details given below, on some key constitutional topics and issues relevant to the subject of Centre-State relations through reputed Academic and Research Institutes:

Sl.No.	Name of the Research Study	Name of the Institute
1.	Functioning of Coalition Governments in various Democracies of the World	University of Delhi, Delhi. {Prof. M.P.Singh (Retd.)}
2.	Independent Budgeting and Planning at District Level	Institute for Social and Economic Change (ISEC), Bangalore.

3. Fiscal Federalism in India	National Institute of Public Finance and Policy (NIPFP), New Delhi.
4. (i) Impact of Recommendations made by the 8 th to 12 th Finance Commission on fiscal relations between the Centre and the States, especially the greater dependence of the States on devolution of funds from the Centre. (ii) Need and relevance of separate taxes on the production and on the sales of goods and services subsequent to the introduction of Value Added Tax (VAT) regime.	Madras School of Economics (MSE), Chennai. Madras School of Economics (MSE), Chennai.
5. Impact of Legal and Jurisprudential Developments on Centre-State Relations.	West Bengal National University of Juridical Sciences, Kolkata.
6. Functioning/Structure of Local Governance in North-Eastern Region with special reference to Autonomous District Councils/Autonomous Regional Councils.	North-Eastern Hill University (NEHU), Shillong.
7. Preparation of Digest of Judicial Pronouncements relating to Centre-State Relations (Post Sarkaria Commission on Centre-State Relations) from 1988 to 2009.	Indian Law Institute (ILI), New Delhi.
8. Causative Factors behind the Continued Backwardness of Certain States.	National Institute of Rural Development(NIRD), Hyderabad.
9. Centre-State Fiscal Relations	Institute of Social Sciences (ISS), New Delhi. {Prof. Abhijit Datta (Retd.)}

2.4.02. The selection of the Institutes to conduct the studies was made strictly based on their repute and expertise in the relevant fields from a panel of such Institutes. The Terms of Reference for the above studies were decided after detailed discussion and the progress of the work was constantly monitored. Before the finalization of the reports, the draft reports were studied and evaluated by the Commission and comments, wherever considered necessary, conveyed to ensure that all needed inputs were received. In addition, a set of papers on migration issues was prepared by Dr. S. Irudaya Rajan and his team and submitted to the Commission for its use. A separate Compendium of the reports of the Research Studies and the set of papers on migration issues is also being submitted as a Supplementary Volume to this Report.

2.5. The Regional Consultations

2.5.01. The Commission also held seven Regional Consultations on the subjects germane particularly to that region. Brief details of these Regional Consultations are given below:

- (a) In the Southern Regional Consultation on the thematic area of 'Local Governments and Decentralized Governance' held at Thiruvananthapuram, Kerala, on March 10, 2008 and March 11, 2008, deliberations were focussed on the following subjects:
 - (i) Constitutional Scheme for Decentralized and Devolved Governance: Legislative and Institutional Framework – related issues;
 - (ii) Devolution of Funds and Financial Relations – Centre, State and Local Governments;
 - (iii) Independent Planning and Budgeting at District level; and
 - (iv) Effectiveness of Decentralized Governance – based on Experiences in the Southern States.

The States of Kerala, Andhra Pradesh, Karnataka and Tamil Nadu and the Union Territory of Puducherry participated in this Consultation.
- (b) The North-Eastern Regional Consultation was held at Shillong, Meghalaya, on September 30, 2008 and October 01, 2008. The thematic areas for deliberations in this Consultation related to the following subjects:
 - (i) Criminal Justice, National Security and Centre-State Cooperation;

(ii) Decentralized Planning and Governance with special reference to the functioning of the Autonomous Districts/Regional Councils under the Sixth Schedule to the Constitution; and

(iii) A Curtain-Raiser on Infra-Mega Projects.

The States of Meghalaya, Arunachal Pradesh, Assam, Manipur, Mizoram, Nagaland, Sikkim and Tripura participated in this Consultation.

(c) The Northern Regional Consultation was held at Chandigarh, on December 10, 2008 and December 11, 2008. The following subjects were discussed in this Consultation:

(i) Mechanism for Inter-Government Consultations;

(ii) Local Governments and Administrative Relations (Articles 256 and 257 of the Constitution of India);

(iii) Inter-Governmental Funds Transfer, Conditionalities on transfer of funds from the Centre to States, and Centrally Sponsored Schemes; and

(iv) Unified and Integrated Domestic Market.

The States of Haryana, Himachal Pradesh, Jammu & Kashmir and Punjab participated in this Consultation.

(d) The Eastern and Central Regional Consultation on the thematic areas of 'Natural Resources, Environment, Land and Agriculture and National Security and Centre-State Cooperation' was held at Bhubaneswar, Orissa, on January 20, 2009 and January 21, 2009. The following issues were discussed in this Consultation:

(i) Centre-State Cooperation in combating Naxalism;

(ii) Strategy for Centre-State cooperation in meeting Environmental challenges;

(iii) Centre-State cooperation in Regulation of Mineral Resources; and

(iv) Strategies for increasing and sustaining Forest cover, with special reference to the Scheduled Tribes and other Traditional Forest-Dwellers (Recognition of Forest Rights) Act, 2006.

The States of Orissa, Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh and West Bengal participated in this Consultation.

- (e) Consultation with the three Western Himalayan states, namely, Uttarakhand, Himachal Pradesh and Jammu & Kashmir, on the 'Role, responsibility and jurisdiction of the Centre in adopting approaches and policies based upon positive discrimination in favour of backward hill states' was held at Dehradun, Uttarakhand, on July 07, 2009.
- (f) The Western Regional Consultation was held at Goa on July 13, 2009 and July 14, 2009. The following subjects were discussed in this consultation :
 - (i) Centre-State relations with reference to Integrated Domestic Market, Infrastructure Development and Mega Projects;
 - (ii) Parameters of Good Governance; and
 - (iii) Problems arising out of changing demographic pattern.

The States of Goa, Gujarat, Maharashtra and Rajasthan participated in this Consultation.

- (g) Consultation with the Government of Uttar Pradesh on the 'Broad framework of Centre-State relations' was held at Lucknow, Uttar Pradesh, on July 21, 2009.

The list of the participants at these seven Consultations is at Appendix XVIII.

2.6. The Meetings of the Commission/Members

2.6.01. The Commission had right in the beginning decided that it would meet at least once a month and at such other times as may be required to monitor the progress and to take appropriate decisions on the various issues that arise from time to time. In all, the Commission since its constitution in late April 2007 met 47 times (Appendix XIX). As a procedure, in between the meetings of the Commission, the Members of the Commission used to hold important issue based meetings, whenever required, to arrive at preliminary conclusions. The conclusions reached in these discussions were placed before the full Commission for approval in its subsequent meeting. In all, 96 meetings of the Members were held (Appendix XX).

2.6.02. The above mentioned 96 meetings of the Members include 26 meetings held during August-October 2009 to analyse and evaluate in detail the responses and inputs received from various stakeholders to the Commission's final Questionnaire, the reports of various Task Forces, the Research Studies, the discussions held at the seven Regional Consultations and other relevant material. The preliminary findings so arrived were thereafter taken to the full Commission for its consideration and ratification.

2.7. The Summary

2.7.01. It would thus be seen that the Commission had prepared a comprehensive work plan which given the usual constraints was, by and large, being executed in a time bound manner. Care was also taken to have a right mix of subject/domain Experts and Institutes as its knowledge partners. The Commission also benefited greatly by obtaining a broad spectrum view of various problems through the Regional Consultations that were held in different parts of the country. Besides, this exercise ensured a large participation from the State Governments, including Governors, Chief Minister and other Ministers, political leadership, senior level bureaucracy as well as the Civil Society.

2.7.02. The Commission also took a decision that the focus of the Report must basically remain on addressing the issues concerning the Centre-State relations and the constitutional and other legislative or administrative measures required for the furtherance of this cause, without getting into too much of nitty-gritty of implementation areas.

2.7.03. Some observations on a particular dilemma subsequently faced by the Commission in the execution of its work plan based on the methodology earlier decided and tentatively approved are covered in this Paragraph. This dilemma primarily arose because of the decision on time frame indicated to the Commission in June 2009 by the Government. After the meeting with the then Home Minister in February 2008, the methodology had been conveyed in detail to the Ministry of Home Affairs, also indicating the financial requirements for undertaking different activities. The approval of the Ministry was duly received with a few suggestions, but without any comments on the broad parameters of the methodology. Subsequently, the time frame for submission of the Report indicating in detail the entire work plan was spelt out in the Commission's proposal that was sent to the Ministry on November 20, 2008. It was felt that an extension of two years from the originally envisaged period of two years was amply justified considering the complexity of the task and the need to proceed with care on contentious issues. The time

plan had been earlier discussed with the former Home Minister. The contents of this proposal were also briefly explained to the Home Minister, Shri P. Chidambaram, when the Members of the Commission called on him on December 19, 2008. In response to this proposal of the Commission, the Government, however, conveyed extension of the tenure of the Commission for a period of about two months, i.e. upto June 30, 2009. This short extension was, presumably, given because a new Government was to be formed after the General Elections to the 15th Lok Sabha to be held in April-May 2009. During this brief extension, the Commission started working on preparing a Compendium of the work done till then for submitting a short Report, if required. On formation of the new Government, the Commission on May 25, 2009, again sent a proposal seeking extension for a period of two years beyond June 30, 2009, explaining in detail the work done till then and also the work planned to be undertaken over the next two years. The Government, however, in late June 2009, conveyed a final extension of the tenure of the Commission only for nine months beyond June 30, 2009, i.e. upto March 31, 2010. The Commission, as such, on receipt of this communication altered the rest of the work plan and as desired by the Government started working to submit the Report by the advised date of March 31, 2010. With the limited time now available the main casualty was the one-to-one consultation process. The consultative process through in-depth discussions with the stakeholders was scheduled to be completed over the next eight to nine months, which was a key element in the Commission's work plan. This exercise was needed to be done to harmonize different viewpoints that had been received on various issues for a possible consensus building in the long term National interest with a view to facilitate smooth and speedy implementation of the recommendations included in the Report. This and some other important issues were brought to the notice of the Home Minister when the Members of the Commission met him on October 14, 2009. The Home Minister, however, felt that keeping in view the growing regional aspirations on the subject, the Report may be submitted by the advised date and consultations, if required, could be held after the Report has been studied by the Government.

2.7.04. The Commission has, accordingly, submitted its Report on March 31, 2010. The Commission has the satisfaction of having completed its task competently and professionally in a most desirable manner and in making the Report as exhaustive as possible under the given circumstances. It is hoped that the Report will be a useful instrument for the present as well as the future Governments in furthering more harmonious and healthier Centre-State relations. It is also hoped that the Report will serve as a correct and valuable reference for the future Commissions on this ever evolving subject, if and when constituted.

CHAPTER 3

GOVERNANCE SYSTEMS IN INDIA – THE EVOLUTIONARY PROCESS

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3

GOVERNANCE SYSTEMS IN INDIA – THE EVOLUTIONARY PROCESS

3.1. The Period upto the Nineteenth Century

3.1.01. Federal system of governance, though not in the modern sense of definition, is not new to India and governance at multiple levels has been prevalent during most earlier eras. It is a well recorded fact that governance during ancient India was characterized by the three-tier system of administration, namely the village panchayats/local principalities, the urban provinces and the kingdoms/empires. Political unity was premised by the economic self sufficiency of the units, maintenance of social order and observance of religious and linguistic identity coupled with traditional diversity. While the federal principles of administration had the Indus and Indo-Aryan heritage, their practice had been pervasive that enjoyed longevity over centuries. The same was manifest from the fact that the provinces and local governments in various empires, from the Mauryas to Mughals, were able to maintain considerable degree of autonomy in administration. As noted¹¹ by Sir Jadunath Sarkar, the famous historian of ancient India, “*each province led its own life, continued its old familiar system of Government (though under the agents of the central power) and used its local language*”. Thus decentralized governing system or federalism, as is termed in the modern sense, maintained strong foundations and long durations.

3.1.02. The Indo-Aryan and medieval India experienced periods of political unity and stability as well as spells of dissension and fragmentation of kingdoms and even empires. From the Ashoka through Maurya and Gupta periods, strong kingdoms became empires, expanded their sway generally to the natural boundaries of the sub-continent and brought local administrations and smaller kingdoms under their political control. However, while there was unification of kingdoms with autocracy and dictatorship at the top, a great deal of autonomy was enjoyed at the same time by the town and village units, with elected elders looking after the local affairs. The local autonomy was greatly prized and hardly any king or supreme ruler interfered with it. Nevertheless, the influence and many sided activities of the central government were all pervasive to control and regulate life by providing structures for keeping external and internal peace and collecting revenue. Several historians have noted that attempts for centralization of powers often evoked

¹¹ “Part I of the Report of the First Commission on Centre-State Relations (Sarkaria Commission)”

resentment and negative reaction of the local population. Adherence to over centralization often weakened the central power to maintain its hold over the sub-national forces on an enduring basis. As a result, the more the Central power became weak, the greater was its vulnerability to regional forces to take advantage of, leading to even disintegration of empires. It also, at times, encouraged foreign invaders to conquer the areas of the country. The last attempt of centralization and abrogation of traditional diversities and autonomy of the regions came from the Mughal Emperor Aurangzeb but it did not meet the expected success. His demise witnessed the negation of most of the structures of central administration.

3.1.03. Starting from the very early period, Indian governance system has been divided by some English as well as Indian historians into three major periods i.e. the Ancient or Hindu, the Muslim and the British. It is stated that the vast ancient Hindu period spanned over 2000 years. This period was full of change, of growth and decay and then growth again. During this period federal principles and systems were put to test and practice. What was astoundingly clear was that the principles of democratic systems and people's participation in governance at the grass roots level were well established that stayed largely undisturbed over longer periods. Liberty, local administrative autonomy and women's participation in local elected Governments were the hallmark of self governance systems. Local governments or Panchayats enjoyed executive, financial and judicial autonomy. These were largely undisturbed through centuries involving growth and decay of empires, alien aggressions and changing administrations. There is an old book of the tenth century which gives some idea of Indian polity as it was conceived prior to the Turkish and Afghan invasions. The book is called 'Nitisara', the science of polity, by Shukracharya. It deals with the organization of the central government as well as of town and village life; of the king's council of state and various departments of government. The village Panchayat or elected council had large powers, both executive and judicial, and its members were treated with great respect by the king's officers. Land was distributed by the Panchayat, which also collected taxes out of the produce and paid the government's share on behalf of the village. Over a number of these village councils there was a large Panchayat or a Council to supervise and interfere, if necessary. Some old inscriptions further tell as to how the members of the village Councils were elected and what their qualifications and disqualifications were. Various Committees were formed, elected annually, and women could serve on them. In case of misbehaviour, a member could be removed. A member could be disqualified, if he failed to render accounts of public funds. An interesting rule to prevent nepotism is mentioned: near relatives of members were not to be appointed to public office.¹²

¹²"The Discovery of India" by Jawaharlal Nehru

3.1.04. In what was called the medieval or the Muslim-Mughal period, the governance reforms were largely confined to urban administration, centralization and empire building. Emphasis was on revenue management, development of urban infrastructure and building up of large army for expansion of the empire. A well-knit and entrenched bureaucracy was developed which supported these endeavours. During this period also, there were foreign invasions. The invaders who came to India from the North-West, like so many of their predecessors in ancient times, got absorbed into India and became part of her life. Their destinies became Indian destinies. There was a great deal of racial fusion and cultural mix. According to historians and intellectuals, these changes did not materially affect the essential continuity of rural Indian life.

3.1.05. The British period was of different essence at least during the initial phase. The British East India Company had originally established itself for trading purposes and its military establishment was meant to protect this trade. Gradually, it extended the territory under its control, chiefly by taking sides in local disputes, helping one rival against the other. With this strategy, the company's power grew and its military establishment increased. By the time it was locally realized that the British were out for the political domination of India, they had already established themselves firmly in the country. With remarkably little effort, they won a great empire and enormous wealth, which helped to make them the leading power in the world.

3.1.06. Historians credit the British for establishing orderly government in India once they became rulers after 1820s. However, others argue that immediately preceding the British rule chaos and anarchy was, at least partly, of the making of East India Company and their representatives themselves. It has also been further argued that with or without the British, struggles for supremacy and restoration of peace and orderly administrations were not unknown to India, in the course of her five thousand years long history.

3.1.07. The British, in the first phase of their rule, upto 1820s, accepted and adopted many of the Mughal systems of administration and made modifications based on their needs. The acceptance of the concept of emperorship and centralization of power structure, the revenue administration, the system of civil service etc., are some of the examples. The modifications include the separation of civil and military services, the establishment of courts and creation of independent judicial systems. The beginning of a more serious change was the 'Permanent settlement' system (Landlord System) of 1793 which brought in fundamental change in the administrative structure of the Indian village and rural economy. The settlement changed property relations, created new social classes and caused a social revolution in the Indian countryside.

3.1.08. In 1830, Sir Charles Metcalfe, said to be one of the ablest British officials in India, described the earlier Indian rural life as,¹³ *“The village communities are little republics having nearly everything they want within themselves; and almost independent of foreign relations. They seem to last where nothing else lasts. This union of the village communities, each one forming a separate little state in itself... is in a high degree conducive to their happiness, and to the enjoyment of a great portion of freedom and independence.”*

However, the events that followed in the subsequent phase and the establishment of centralized British Rule in India witnessed near total disintegration in the independence of the village economy and the village community greatly lost both its economic and administrative functions. On the other hand, after the First War of Indian Independence in 1857, the basic philosophy of governance in the administrative systems, by and large, remained unchanged even after the change over of the rule from the East India Company to direct rule under the British Crown. In fact, severe handicaps placed on the Indian industry as a matter of policy ensured that the Indian people were pushed back to their rural fold.

3.1.09. The establishment of the unitary rule by the British, with attendant political and economic changes, according to historians¹⁴, was unique and an entirely novel phenomenon, not comparable with any other past rule. The federal unity of India’s social and economic life, which was accepted by every previous ruling system, whether from outside or indigenous, in its long history, was given a go-by. *India became for the first time a political and economic appendage of another country*¹⁵. It was said that *“She had never been drawn into a political and economic system whose centre of gravity lay outside her soil, never been subjected to a ruling class which was, and which remained, permanently alien in origin and character”*¹⁶.

3.2. Later British Period - The National Movement

3.2.01. The national movement for Independence (Swaraj) in its essence was an attempt for resurrection of the self rule with federal structure. After a century of centralized rule, even the British realized the importance and convenience of federal administration in a country of India’s size, diversity and plurality. Steps, although limited, in that direction included the extension of self government in the Lord Ripon regime and

¹³ “The Discovery of India” by Jawaharlal Nehru

¹⁴ “The Discovery of India” by Jawaharlal Nehru

¹⁵ “The Discovery of India” by Jawaharlal Nehru

¹⁶ “The Problem of India” by K.S. Shelwakar (Extracted from “The Discovery of India” by Jawaharlal Nehru)

participation of Indians in the legislative councils. The Indian Councils Act, 1909, was claimed as an important stage in the growth of representative institutions in India, but in reality it failed to meet the national aspirations, as by that time, the national consciousness had found enough expression and people wanted to have a real and an effective control over the governance of their country.

3.2.02. The First World War added an international dimension to the Indian demand for the self rule. India became a member of the Imperial War Conference. On August 20, 1917, it was declared in the House of Commons¹⁷: *“The policy of His Majesty’s Government, with which the Government of India, is in complete accord, is that of the increasing association of Indians in every branch of administration and the gradual development of the self-governing institutions with a view to the progressive realization of responsible government in India as an integral part of the British empire.”* The Montague-Chelmsford Report, considering the position in the light of the Declaration of August 20, 1917, came to the conclusion that the complete fulfilment of the pledge could not take any form other than that of the self-governing systems. Indian provinces were to be associated for certain purposes under a responsible Government of India.

3.2.03. The Government of India Act, 1919, based on Montague-Chelmsford Report, provided for a considerable measure of devolution of authority to the provinces. For the first time there was division in the field of administration into two spheres, the central and the provincial. The matters which were of all India concern requiring uniform treatment like for instance, defence, communication, foreign relations, customs, income tax, criminal law, etc., were put on the central list; and those which were predominantly of provincial interest such as education, medicine, public health, public works, land tenures, etc., were listed as provincial subjects. The residuary matters belonged to the Centre. The Governor-General-in-Council could declare a subject in the Central list to be included in the Provincial list. At the same time, although the Central Government had the powers to enact laws on any matter in the provincial list, such a legislation required the previous sanction of the Governor General.

3.2.04. The special feature of the Act was that the provincial subjects were further classified into ‘reserved’ and ‘transferred’ categories. The ‘reserved’ list included police services, land revenue administration, justice, irrigation and canals, famine relief, control of newspapers, borrowing, finance and forests, etc. The subjects included in the ‘transferred’ list were local self governments, public health, medical administration,

¹⁷ “History of Freedom Movement in India (Vol. Three)” by Tara Chand

education, public works including roads, bridges and tramways but excluding irrigation, agriculture and fisheries, cooperation, excise, technical education, etc. The administration of the 'transferred' subjects was vested in the Governor acting with the help of elected Ministers responsible to the Legislative Council (provincial legislature) and that of the 'reserved' subjects in the Governor-General-in-Council.

3.2.05. Edwin Samuel Montague, the Secretary of State for India during the latter part of World War I, and Lord Chelmsford, the Viceroy of India between 1916 and 1921, firmly stood in favour of a considerable measure of devolution of authority to the provinces, but they were careful to make it clear that the federal element did not enter into the arrangements suggested by them.

3.2.06. The reforms of 1919, however, failed to meet the aspirations of the people for full responsible government. The administrative structure remained unitary with the Governor-General-in-Council in effective ultimate control. Moreover, owing to the introduction of the "dualized form" of provincial government, popularly known as "diarchy" (i.e. a division of the executive power between the Indian representatives and the British advisers of the Governor), even the limited authority which the Act of 1919 conferred on the provinces was turned into a myth. All the key administrative departments including finance were kept on the "reserved" side. The actual division of subjects was haphazard and illogical. The ministers had no full control over the factories, mines, water, power etc. Then again, the ministers had to depend completely on the Finance Department which was supervised by a member of the Governor's Executive Council. No progressive measure could be put through without his consent. The extensive authority of the Governor to ignore the advice of his ministers and to act in his discretion in case he considered it necessary, ostensibly in the interest of minorities, the depressed classes, public services or for maintaining peace and tranquillity in the province, virtually made the ministers powerless even in relation to 'transferred' subjects. The main instruments of administration, namely, the Indian Civil Service and Indian Police, were under the control of the Governor and were responsible to him and not to the ministers. Thus, an ICS officer in the rank of Secretary or the Commissioner, being backed by the Governor, could practically veto a decision of the minister, which resulted in considerable diminution in the authority of the latter. The Joint Select Committee on Constitutional Reforms observed¹⁸ in 1934:

"Notwithstanding the measure of devolution in the provincial authorities which was the outcome of the Act of 1919, the Government of India is and remains in essence a unitary and centralized Government, with the Governor-General-in-Council as the keystone of the whole constitutional edifice : and it is through the Governor-General-in-Council that the Secretary of State and ultimately the Parliament discharge their responsibilities for the peace, order and good government of India."

¹⁸ "The Framing of Indian Constitution: A Study" by B. Siva Rao

3.2.07. The Government of India Act, 1919, had a provision for appointing after ten years a Commission for recommending further constitutional changes. In 1927 the British Government appointed a Commission two years earlier than required by the Act. This decision seemed to be the result of the mounting all-India agitation for full responsible government. The Commission comprised Sir John Simon as its Chairman and seven British MPs. It recommended autonomy for the provinces as far as practicable and visualized a federation at the Centre, comprising both British India and the Indian States. The Commission further suggested the abolition of the system of diarchy at the provincial level. However, even the recommendations of the Simon Commission, as it was popularly called, failed to satisfy Indian expectations.

3.2.08. During the period from 1924 to 1931 the growth of nationalist demand for Independence acquired unprecedented strength. The whole scenario changed substantially at the three Round Table Conferences held in London (1930-32) with the delegates of British India and those of Indian States alike unanimously accepting the federal idea as the immediate solution to the Indian constitutional problem. The Government of India Act of 1935, that represented the culmination of the discussions which started with the Round Table conferences, envisaged an all-India federation consisting of eleven Governor's provinces, six Chief Commissioner's provinces, and such Indian States as would agree to join the federation. The governmental subjects were divided into three Lists i.e. Federal, Provincial and Concurrent. The provincial legislatures were given exclusive power to legislate with respect to matters in the Provincial list. The federal legislature had the exclusive power to make law on matters in the Federal List. The federal and the provincial legislatures had concurrent jurisdiction with respect to matters in the Concurrent List. In case of conflict between a provincial law and a federal law on a matter enumerated in the Concurrent List, the latter was to prevail, and the former would, to the extent of the repugnancy be void. Residuary powers were vested in the Governor-General, who could, in his discretion, assign any such power by a public notification to the federal legislature or the provincial legislature. Section 102(1) of the Act authorized the federal legislature to legislate on provincial matters when a Proclamation of Emergency was declared under that Section. Section 103 empowered the federal legislature to make laws on matters contained in the Provincial List in pursuance of a resolution to the effect passed by two or more provincial legislatures. Any such legislation might, in respect of any province to which it applied, be amended or repealed by an Act of the legislature of that province.

Besides, Section 108(2) stated that a bill, which was repugnant to any provisions of any Act of Parliament extending to British India, or which affected matters in respects which the Governor-General was required to act in his discretion, or which affected the procedure for criminal proceedings in which European British subjects were concerned, could not be introduced in the provincial legislature without the previous sanction of the Governor-General.

3.2.09. The Government of India Act of 1935 provided for a powerful Centre. At the same time, this Act, to a certain extent at least, introduced provincial autonomy which implied two things. Firstly, the Provinces were to derive their powers from the same source, i.e. The Government of India Act of 1935, from which the Centre too derived its authority. Secondly, provincial autonomy implied responsible government in the provinces. The matters within the sphere of provincial government would be administered by an executive responsible to the legislature and ultimately to the people. The Act of 1935 came into force on April 1, 1937. The part of the Act which contemplated the inclusion of the princely States never came into operation as the States did not opt to join the federation. The Rulers considered the proposed federal scheme inadequate for protecting their special rights and interests. The Act remained in operation, so far as its provincial part was concerned, till 1947 when substantial changes were introduced following the transfer of power.

3.2.10. In February 1937, elections for the provincial legislatures were held. The Indian National Congress demanded the rejection of the Act of 1935. It, however, decided to contest elections to the new provincial legislatures on the basis of a detailed political and economic programme, with its demand for a Constituent Assembly in the forefront. The Muslim League, which had accepted the federal scheme under the Act, also took part in the elections. In the elections, the Indian National Congress had a spectacular victory. Out of the total of 1,585 seats in the provincial legislatures, it secured 714 seats. The performance of the Muslim League, to the contrary, was disappointing. It was able to capture only 109 out of the total 492 Muslim seats¹⁹. The Congress had a clear majority in the legislatures of five provinces - Madras, the United Provinces, the Central Provinces, Bihar and Orissa. In Bombay, with nearly half the seats at its command, it could easily count upon the support of some pro-Congress groups to secure a majority. In Assam and North-West Frontier Province, the Congress emerged as the single largest party. In Punjab, the Unionist Party led by Sikander Hayat Khan, and in Bengal, the Praja Party led by Fazlul Huq, came to the fore. In Sind, the Muslim League became the single largest party,

¹⁹ "History of Freedom Movement in India (Vol. Four)" by Tara Chand

although no party had a clear majority in the legislature. The All-India Congress Committee in March 1937 passed a resolution reiterating its earlier stand of combating and ending the 1935 Act. It, at the same time, authorized the provincial Congress legislature parties to accept office (where the Congress commanded a clear majority in the legislature) only when the Governors assured not to use their special powers of interference in the functioning of the popular ministries or not to set aside the advice of ministers in regard to their constitutional activities. The controversy about the legality was concluded by Lord Linlithgow's statement on June 22, 1937. In his statement, Lord Linlithgow, the Viceroy of India, observed²⁰: *"In all matters falling within the ministerial field, including the position of the Minorities, the Services, etc., the Governor will ordinarily be guided in the exercise of his powers by the advice of his ministers,...* The only qualifications of this rule are in respect of certain specific and clearly defined matters.. The most important of these are those known as the Special Responsibilities... Those Special Responsibilities are, as I have said, restricted in scope to the narrowest limits possible". Consequently, the Congress took office in six provinces - Madras, the United Provinces, the Central Provinces, Bihar, Orissa and Bombay. The Unionist Party leader Sikander Hayat Khan and the Praja Party leader Fazlul Huq formed coalition ministries in the Punjab and Bengal respectively. In Assam, Sir Muhammad Saadulla and in North-West Frontier Province, Sir Abdul Quaiyum Khan headed coalition governments. The Muslim League was the largest constituent in the coalition ministry of Sind only. All the eleven provinces came to have popular government. In North-West Frontier Province and Assam the Congress soon came to power. Thus, the Congress was in power in eight provinces.

3.2.11. The World War II started in 1939. The British Parliament amended the Government of India Act of 1935 by adding a new Section (Section 126 A) which empowered the Government of India, during the operation of a Proclamation of Emergency resulting from war or a threat of war, to give direction to the provincial government as to the way in which their executive authority was to be exercised, and enabled the federal legislature to make laws in the provincial field conferring executive authority on the Government of India or its officers. This amendment was a definite encroachment upon the provincial autonomy. The Indian National Congress resolved that the dictatorial concentration of powers in the hands of the federal government through the insertion of Section 126A would be *"resisted in every way open to the Congress"*. It was further declared: *"The Congress is determined to oppose all attempts to impose a war on India and use Indian resources in a war without the consent of the Indian people"*²¹. Ignoring the Congress demand, the Viceroy on September 3, 1939, proclaimed that war had broken out 'between

²⁰ "From Raj to Republic : A Restrospect" by M.M. Singh

²¹ "The Framing of Indian Constitution : A Study" by B. Siva Rao

His Majesty and Germany' and implied India's automatic involvement in the war without her consent. On September 11, 1939, by another official announcement the working of the 'federal scheme' was suspended²². As a protest against the proclamation of September 3, 1939, and the official announcement of September 11, 1939, the Congress ministries, on the directive of the Congress Working Committee, resigned in all the eight provinces. In the remaining three provinces - Bengal, Sind and the Punjab, the popular governments continued to function.

3.2.12. In these three provinces also the provincial autonomy was reduced to a farce. Allah Buksh, the Chief Minister of Sind, was dismissed by the Governor although he was the undisputed leader of the majority party in the Assembly. The reason of his dismissal was that he surrendered his title of Khan Bahadur on the ground that the British Government, during the war, was not conducting itself in the best interest of Indians. Similarly Fazlul Huq, the Chief Minister of Bengal, was forced to resign by the Governor on March 28, 1943. The dismissal of Allah Buksh and the forced resignation of Fazlul Huq were significant illustrations how the provincial autonomy could so easily be destroyed by the Governor under the Act of 1935.

3.2.13. Sir Stafford Cripps was sent by the British Government to India in March 1942 to resolve the political deadlock. Cripps came with a package of proposals which envisaged that a Constituent Assembly, elected through the system of proportional representation by the provincial legislatures, would frame a new Constitution for India after the cessation of hostilities. The British Government would accept and implement the Constitution so framed, subject to the condition that any province would have the right to opt out of it and retain its constitutional position as in the 1935 Act. Both the Congress and the Muslim League rejected these proposals which were withdrawn by Cripps himself on April 11, 1942 and he immediately returned to London.

3.2.14. The other important landmark in the India's National movement was the announcement of the British Cabinet Mission Plan by Sir Clement Attlee, the Prime Minister of Britain, in March 1946. The Labour Party's landslide victory in the post-war General Elections held in Britain in 1945 led to the installation of a Labour Government with Attlee as Prime Minister and Lord Pethick-Lawrence as the Secretary of State for India. In its election manifesto the Labour Party had committed itself to India's freedom. On February 19, 1946, Pethick-Lawrence, with the concurrence of the opposition, made an announcement in the House of Lords that a special mission of Cabinet Ministers, consisting of himself, Sir Stafford Cripps and A. V. Alexander, would soon visit India.

²² "The Framing of Indian Constitution : A Study" by B. Siva Rao

3.2.15. Explaining the objective of the Cabinet Mission, Attlee told the House of Commons on March 15, 1946, that the intention was to help India to attain freedom as speedily and as fully as possible. The Cabinet Mission arrived in India on March 24, 1946. In the course of its sittings in India, the Mission met 472 leading persons and organizations including the Congress and the Muslim League. The Congress position was that India shall have independence. The future Constitution of Independent India shall be federal in character, with a limited number of compulsory federal subjects such as defence, foreign affairs and communications, and with autonomous provinces exercising the residuary powers. There should be a list of optional subjects which any province might voluntarily assign to the Centre²³. The Muslim League decisively stood for a separate independent state of Pakistan consisting of Bengal, Assam, the Punjab, the North-West Frontier Province, Baluchistan and Sind.

3.2.16. A statement containing the Cabinet Mission's observations and proposals was published on May 16, 1946. The Mission put forward what it considered to be the best arrangements possible to secure a speedy setting up of the new Constitution and the formation of an Interim Government to carry on the administration of the British India until such period as a new Constitution could be brought into being. The demand of the Muslim League for a sovereign state of Pakistan could not be accepted by the Cabinet Delegation. After rejecting the demand for partition, the Mission proceeded to recommend the following '*basic form*' for the new Constitution²⁴:

- (a) there should be a Union of India, dealing with three subjects - Foreign Affairs, Defence and Communications, having the powers necessary to raise the finances required for these subjects;
- (b) the Union should have an Executive and a Legislature of representatives chosen from British India and the States;
- (c) all subjects other than the Union subjects and all residuary powers should vest in the provinces;
- (d) the States would retain all subjects and powers other than those ceded to the Union; and
- (e) Provinces should be free to form groups (sub-federation) with Executives and Legislatures, and each group could determine the provincial subjects to be taken in common.

²³ "Indian Constitutional Documents (1757 – 1939)" by A.C. Banerjee

²⁴ "History of Freedom Movement in India (Vol. Four)" by Tara Chand

3.2.17. The object of the Cabinet Mission was not to lay down the details of a Constitution, but to set up a Constituent Assembly, a machinery whereby the Constitution could be framed by the Indians for the Indians. It gave detailed proposals regarding the composition of the Constituent Assembly. The Cabinet Mission, therefore, envisaged a government at the Centre with very limited powers and relatively strong provinces having considerable degree of autonomy with all the residuary powers.

3.3. The Constituent Assembly – The Debates

3.3.01. The elections to the Constituent Assembly were held in July, 1946. Its first meeting took place on December 9, 1946. Keeping itself within the limits set by the Cabinet Missions Plan, the Objectives Resolution moved in the Constituent Assembly by Pandit Jawaharlal Nehru on December 13, 1946, four days after its first meeting, envisaged a Republic of India wherein the various territories would possess and retain the status of autonomous units together with residuary powers, and exercise all powers and functions of government and administration, save and except such powers and functions as were vested in or assigned to the Union, or as were inherent or implied in the Union or resulted there from²⁵. At the time of the first meeting of the Constituent Assembly, the political atmosphere in the country was one of suspicion and uncertainty. All efforts to persuade the Muslim League to participate in the deliberations of the Constituent Assembly failed. Besides, there was the problem of bringing the five hundred and odd Princely States into an organic association with the rest of the country. The long debate on the Objectives Resolution highlighted the fact that a large section of the Constituent Assembly felt the need for a *centralized republic* with a strong Centre. Nevertheless, it was willing to accept the scheme of a limited Centre and autonomous units with residuary powers, envisaged in the Objectives Resolution, in order to secure the co-operation of the Muslim League in the task of framing the Constitution for a united India²⁶. Purushottam Das Tandon voiced the feelings of many others when he said²⁷: *“there are many of us who are against giving residuary powers to the provinces. Personally, I would oppose the grant of residuary powers in the conditions prevalent in the provinces owing to the Hindu-Muslim problem... The Resolution, however, gives residuary powers to the provinces so that the Muslim League may not say that we have done in their absence what we pleased”*. Dr. B.R. Ambedkar was cheered by the House when he declared that so far as he was personally concerned, he would like to have a strong Centre as envisaged in Government of India Act of 1935. He recognized, however, that²⁸ *“these wishes have no bearing on the situation at all.”*

²⁵ “The Framing of Indian Constitution : A Study” by B. Siva Rao

²⁶ “The Framing of Indian Constitution : A Study” by B. Siva Rao

²⁷ “Constituent Assembly Debates”

²⁸ “Constituent Assembly Debates”

3.4. Union Powers Committee

3.4.01. On January 25, 1947, C. Rajagopalachari, a member of the Constituent Assembly, moved a resolution in the Constituent Assembly proposing the appointment of a committee to examine the scope and content of the subjects assigned to the Centre under the Cabinet Mission's plan and to draw up lists of matters included in and interconnected with those subjects. The resolution was adopted on the same day. This Committee, which came to be known as the Union Powers Committee, started with an initial strength of twelve members. On April 10, 1947, two representatives of the Princely States were included in the Committee.²⁹

3.4.02. The Union Powers Committee's first meeting was held on March 2, 1947. Pandit Jawaharlal Nehru, who was elected as its Chairman, posed two important questions³⁰: (i) whether there should be a strong Centre and, if so, what powers it should have; and (ii) whether it would be possible to have a minimum compulsory list, as contemplated in the Cabinet Mission's Plan, and another list which, if the units were willing, they could transfer to the Centre.

3.4.03. The Union Powers Committee's first report was mainly concerned with enumerating matters which, in the opinion of the Committee, fell within the ambit of the subjects (i.e., defence, foreign affairs and communications) assigned to the Union under the Cabinet Mission's Plan and of the implied, inherent or resultant powers of the Union. The report, that was presented to the Constituent Assembly on April 28, 1947, synchronized with a rapidly developing political situation with the possibility of partition of the country looming large. In view of these circumstances, consideration was there that the Committee might submit a supplementary report in the light of the situation that might eventually develop. It is worthwhile to note that although the sensitive Hindu-Muslim question and the problem of integration of Indian States with the rest of the country prevailed upon the Union Powers Committee to specify jurisdiction of the Union within the limitation of the Cabinet Mission's Plan, nevertheless the Committee made an all-out effort to interpret the scope of the three subjects, i.e., defence, foreign affairs and communications, as liberally as possible. Besides, taking its clue from the reference made in the Objectives Resolution to powers "*inherent or implied in the Union or resulting there from*", the Union Powers Committee drew up a list of fourteen subjects which, in its view, must 'in any case' come within the jurisdiction of the Union. The list included, among

²⁹ "The Framing of Indian Constitution : A Study" by B. Siva Rao

³⁰ "The Framing of Indian Constitution : A Study" by B. Siva Rao

others, acquisition of property for the purposes of the Union employees, Reserve Bank of India, public debt of the Union, currency and coinage, all subjects in respect of Union areas, and particularly powers to deal with grave economic emergencies in any part of the Union affecting the Union. Moreover, the Committee hoped that another eight subjects would also be *“included in the Union List by agreement.”* The subjects were insurance, company laws, banking, negotiable instruments, patents and trademarks, ancient and historical monuments, standard weights and measures, and planning. The justification of the inclusion of planning in the above list was that although the authority may rest in respect of different subjects with the units, it would obviously be in their interest to have a coordinating machinery to assist them”. The report was accepted by the members of the Union Powers Committee as a matter of expediency.

3.5. New Political Scenario – Meetings of the Union and Provincial Constitution Committees

3.5.01. With British Government’s decision to partition India, all hopes of preserving the unity of the country vanished. The announcement of this decision on June 3, 1947, which came to be known as *“The June 3rd Plan”* or *“The Mountbatten Plan”*, had the natural effect of releasing the Constituent Assembly of India from the severe limitations on the scope of central authority envisaged in the Cabinet Mission’s Plan. A decisive swing followed in favour of a strong Centre. The Union Constitution Committee, set up by the Constituent Assembly on May 4, 1947, under the Chairmanship of Pandit Jawaharlal Nehru to report on the main principles of a model Provincial Constitution³¹, decided, at a joint meeting on June 5, 1947, that in view of the June 3rd Plan, the limitations imposed by the Cabinet Mission’s Plan on the form of the Constitution no longer existed³². On June 6, 1947, the Union Constitution Committee, dealing with the basic question whether India should be a unitary state or a federation, arrived at the following tentative decisions³³:

- “(i) that the Constitution should be a Federal Structure with a strong Centre;*
- (ii) that there should be three exhaustive legislative lists, viz. Federal, Provincial and Concurrent with residuary powers to the Centre; and*
- (iii) that the State should be on a par with the provinces as regards the Federal legislative list, subject to the consideration of any special matter which may be raised when the lists have been fully prepared”.*

³¹ “Some Aspects of the Indian Constitution” by D. N. Banerjee

³² “The Framing of Indian Constitution : A Study” by B. Siva Rao

³³ “The Framing of Indian Constitution : A Study” by B. Siva Rao

The decisions were again examined and fully endorsed at another joint meeting between the Union and Provincial Constitution Committees on June 7, 1947³⁴. The aforesaid decisions were incorporated in the Report of the Union Constitution Committee submitted to the President of the Constituent Assembly on July 4, 1947³⁵.

3.5.02. The Union Powers Committee reviewed the recommendations it had embodied in its earlier Report in the light of the political changes in the country. Four joint meetings were held between the Union Constitution and the Union Powers Committees on June 30, July 1, 2 and 3, 1947³⁶.

3.5.03. In its second Report submitted to the Constituent Assembly on July 5, 1947, the Union Powers Committee took note of the momentous changes that followed the decision to partition the country and suggested that the Constituent Assembly was no longer bound by the limitations imposed by the Cabinet Mission's Plan on the scope of Union powers. In his forwarding note to the Report, Jawaharlal Nehru observed³⁷:

“The limitation on the scope of central authority in the Cabinet Mission's Plan was a compromise accepted by the Assembly, we think, against its judgment of the administrative needs of the country, in order to accommodate the Muslim League. Now that partition is a settled fact, we are unanimously of the view that it would be injurious to the interests of the country to provide for a weak central authority which would be incapable of ensuring peace, of coordinating vital matters of common concern and of speaking effectively for the whole country in the international sphere. At the same time, we are quite clear in our minds that there are many matters in which authority must lie solely with the units and that to frame a constitution on the basis of a unitary State would be a retrograde step, both politically and administratively. We have, accordingly, come to the conclusion, a conclusion which was also reached by the Union Constitution Committee, that the soundest framework for our Constitution is a Federation, with a strong Centre”.

The Committee, in its second Report, proposed a three-fold division of powers on the lines followed in the Government of India Act of 1935, viz. the Federal, the Provincial and the Concurrent Lists, leaving residuary powers with the Centre³⁸. The creation of

³⁴ “The Framing of Indian Constitution : A Study” by B. Siva Rao

³⁵ “The Framing of Indian Constitution : A Study” by B. Siva Rao

³⁶ “The Framing of Indian Constitution : A Study” by B. Siva Rao

³⁷ “The Framing of Indian Constitution : A Study” by B. Siva Rao

³⁸ “The Framing of Indian Constitution : A Study” by B. Siva Rao

Pakistan and the integration of Princely States in the new body politic thus cleared the decks for the inauguration of a Centre-oriented federation. The second Report of the Union Powers Committee was placed in the Constituent Assembly on August 20, 1947, and accepted by it following an animated discussion lasting nearly two days³⁹.

3.5.04. The Constitutional Adviser, B.N. Rau, undertook the preparation of a draft of the Constitution embodying the various decisions of the Constituent Assembly on the reports of its Committees. This draft, which was ready by October 1947, contained 37 clauses governing relations between the federation and the units. These related to distribution of legislative powers - clauses 179 to 185; administrative relations between federation and units - clauses 186 to 194; and finance, property, contracts and suits, including distribution of revenues between the federation and units - clauses 194A to 214⁴⁰. The Drafting Committee, with Dr. B.R. Ambedkar as its Chairman, was constituted in terms of a resolution adopted by the Constitution Assembly on August 29, 1947, to scrutinize the draft of the Constitution prepared by the Constitutional Adviser before its submission to the Assembly. The Committee had in all 42 sittings from August 30, 1947, to February 13, 1948. Among these, 12 sittings were devoted to the examination of the clauses pertaining to federation-units relations⁴¹. The 'Draft Constitution of India', as finalized by the Drafting Committee in February 1948, was placed in the Constituent Assembly on November 4, 1948. Clauses 179 to 214 of B.N. Rau's draft, after necessary perusal and modification by the Drafting Committee, were set out in Parts IX and X of the February 1948 Draft Constitution as Articles 216 to 274⁴².

3.6. Debates on Draft Constitution

3.6.01. Dr. B. R. Ambedkar, Chairman of the Drafting Committee, while introducing the Draft Constitution, observed that ⁴³:

“Some critics have said that the Centre is too strong. Others have said that it must be made stronger. The Draft Constitution has struck a balance. However much you may deny powers to the Centre, it is difficult to prevent the Centre from becoming strong. Conditions in modern world are such that centralization of powers is inevitable. One has only to consider the growth of the Federal Government in the USA which, notwithstanding the very limited powers given to it by

³⁹ “The Framing of Indian Constitution : A Study” by B. Siva Rao

⁴⁰ “The Framing of Indian Constitution : A Study” by B. Siva Rao

⁴¹ “The Framing of Indian Constitution : A Study” by B. Siva Rao

⁴² “The Framing of India Constitution : A Study” by B. Siva Rao

⁴³ “Constituent Assembly Debates”

the Constitution, has outgrown its former self and has overshadowed and eclipsed the State Governments. This is due to modern conditions. The same conditions are sure to operate on the Government of India and nothing that one can do will help to prevent it from being strong. On the other hand, we must resist the tendency to make it stronger. It cannot chew more than it can digest. Its strength must be commensurate with its weight. It would be a folly to make it so strong that it may fall by its own weight.”

3.6.02. Ambedkar’s view was criticised by several members of the Constituent Assembly. K. Santhanam took particular exception to the expansion of the Concurrent List as tending to blur the distinction between the Centre and the units. He said⁴⁴: *“In the course of time it is an inevitable political tendency of all Federal Constitutions that the Federal list grows and the Concurrent List fades out, because when once the Central Legislature takes jurisdiction over a particular field of legislation, the jurisdiction of the provincial legislature goes out... . We must reflect whether this is what we want and whether this is desirable. If we do not want it, we will have to see that the Concurrent list is either restricted to the minimum or define the scope of the Central and Provincial Jurisdiction in regard to matters mentioned in that List.”* N.G. Ranga supported Santhanam’s view of Concurrent List and warned that the emphasis on centralization⁴⁵ *“would only lead to... totalitarianism and not democracy.”* Centralization, Ranga further contended, might have the adverse effect of placing the governments of the provinces at the mercy of the Central Secretariat and the Central Bureaucracy. To quote him⁴⁶:

“One of the most important consequences of .., the strengthening of the Central Government would be handing over power not to the Central Government, but to the Central Secretariat. From the chaprassi or the duffadar at the Central Secretariat to the Secretary there, each one of them will consider himself to be a much more important person than the Premier of a province and the Prime Ministers of the Provinces would be obliged to go about from office to office at the Centre in order to get any sort of attention at all from the Centre.”

Refuting Ambedkar’s argument that the Draft Constitution had struck a balance between federalism and the unitary type of government, Mohammed Ismail Sahib observed⁴⁷ that too much emphasis had been given upon the unitary nature of the state, and that was not conducive to the happiness and prosperity of the country Mahboob Ali Baig Sahib Bahadur held⁴⁸ that the provinces, under the Draft Constitution, *“will be nothing but glorified District Boards.”* In his view, if the provinces were made strong, that did not necessarily mean that

⁴⁴ “Constituent Assembly Debates”

⁴⁵ “Constituent Assembly Debates”

⁴⁶ “Constituent Assembly Debates”

⁴⁷ “Constituent Assembly Debates”

⁴⁸ “Constituent Assembly Debates”

the Centre would be rendered weak. Likewise, Arun Chandra Guha noted⁴⁹: “*I admit we require a strong Centre, but that does not mean that its limbs should be weak. We cannot have a strong Centre without strong limbs.*”

3.6.03. There were members, on the other hand, who were firmly convinced of the need for a strong Centre in the circumstances of the country and in view of her past history. Agreeing with Ambedkar, Alladi Krishnaswami Ayyar said⁵⁰:

“In view of the complexity of industrial, trade and financial conditions in the modern world and the need for large scale defence programmes, there is an inevitable tendency in every federation in the direction of strengthening the federal government. The Draft Constitution in several of its provisions has taken note of these tendencies instead of leaving it to the Supreme Court to strengthen the Centre by a process of judicial interpretation.”

Referring to Santhanam’s criticism of the Concurrent List, Ayyar opined⁵¹ that the existence of the List in no way detracted the federal character of the Constitution, since the items contained in the Concurrent List mainly related “to the matters of common concern all over India”. Sarangdhar Das, another leading member of the Constituent Assembly, pleaded⁵² for a strong Centre in the context of the post-partition developments. Frank Anthony urged⁵³ giving the maximum possible powers to the Centre “*in the interests of the country, in the interests of the integrity and cohesion of the nation.*” He felt that in three particular matters, i.e., police administration, education and health, there should be Central control. Brajeshwar Prasad was altogether opposed⁵⁴ to federalism because he feared that with the setting up of semi sovereign States, “*centrifugal tendencies will break up Indian unity.*”

3.6.04. Although the Constituent Assembly did not completely lack in championing the cause of State autonomy, the overwhelming majority of its members stood for a powerful Centre. During the British period there was a steady process of centralization in administration and legislation with such relaxation of central control as might appear unavoidable from time to time. This system had the effect of mitigating the evils of separatism and bringing all the different regions within the focus of one common administration. Introduction of the English education and the development of the modern means of communication further strengthened this unifying force. The setting up of the railways was a remarkable event in the history of our country. It linked up distant regions

⁴⁹ “Constituent Assembly Debates”

⁵⁰ “Constituent Assembly Debates”

⁵¹ “Constituent Assembly Debates”

⁵² “Constituent Assembly Debates”

⁵³ “Constituent Assembly Debates”

⁵⁴ “Constituent Assembly Debates”

and promoted mobility between them. It was also instrumental in the development of national markets and stimulated the growth of large-scale industries, The political and economic unity, which synchronized with the British rule, was subsequently accompanied by a consciousness of National unity or Nationalism. The emphasis in our liberation movement from its very beginning was on National unity. Thus, the centralizing forces, which were the product of the British administration and the National Movement, largely influenced the nature of the Indian federalism⁵⁵. Besides, there were certain other factors which had an impact upon the framers of the Constitution in preferring strong to a weak Centre. One such factor was '*common concern or anxiety for the future*'. The Constitution-makers were anxious of any possible repetition of Indian history which was full of fratricidal wars between regions and communities. Any such repetition would inevitably destroy the very basis of Indian Nationality. Loyalties to region, language and religion had deep roots in Indian history, and the possibility of these multifarious loyalties striking a deadly blow at the root of National unity could not be overruled. As K.M. Munshi warned the Constituent Assembly⁵⁶:

"I would warn the members... to remember one supreme fact in Indian history that the glorious days of India were only the days, whether under the Mauryas or the Moghuls, when there was a strong central authority in the country, and the most tragic days were those when the central authority was dismembered by the provinces trying to resist it. We do not want to repeat that fatal mistake."

Secondly, the idea of welfare state, which found a significant place in the programme of the National Movement, largely contributed to the centralizing tendency in India. The greatest challenge which our National leaders had to confront immediately after the achievement of Independence was poverty. Rapid economic development, equitable distribution of National wealth among all sections of the people, accelerating the pace of industrialization and widening the base of social justice, among others, were urgently required. There was no denying the fact that only a welfare state with centralised authority could effectively undertake the task of National reconstruction. As the welfare state ideal was incorporated in our Constitution, enshrined in the Preamble and the Directive Principles of State Policy, the Constitution makers had no choice but to make the Centre powerful. An essential pre-condition for the successful implementation of the welfare programme was and it was rightly conceived to endow the Centre with effective control over the economic and fiscal fields. The historical experience of the working of the older

⁵⁵ "Inter – Governmental Relations in India" by Amal Ray

⁵⁶ "The Framing of Indian Constitution : A Study" by B. Siva Rao

federations, like the USA, Australia, Switzerland, etc., also guided the footsteps of the architects of Indian Constitution. They were influenced by the centralization, which was considered a universal phenomenon and was writ large on the face of the Indian federation too. Finally, the contemporary events had also an inevitable impact on the shaping of Indian federation. The partition of India, the wide-scale communal violence, the influx of millions of displaced persons from Pakistan, the subversive activities of some extremist elements with the intent and purpose of destroying our nascent democracy and, above all, the Pak invasion of Kashmir, brought in their train colossal problems which could be tackled only by a strong Centre.

3.6.05. The above factors weighed with the framers of Indian Constitution in opting for a maximal rather than a minimal federation. The result was the acceptance of a federal pattern which provided for a strong central authority *“not only to take care of its own responsibilities but to guide and co-ordinate the activities of the units while allowing the latter, in normal times, to act independently in a designed and by no means insignificant area of government.”*⁵⁷

3.6.06. The facts given in the foregoing Paragraphs establish that India, in its long history, developed and maintained a governance system which was conducive to sharing of responsibilities and at the same time maintaining some form of autonomy and self rule. An important feature has been that while the country was the target of continued external onslaughts in the form of frequent wars, it not only maintained the resilience to absorb the cultures of the invaders, but also provided home for new cultures. In the process, India over centuries developed cultural pluralism with a fair degree of administrative ethos. The aberrations for this system, to a certain extent, came during the British period, spanning about 200 years, when India, for the first time, became a political and economic appendage of the British. The National Movement, however, catered to the resurrection of self rule, culminating into the independence of the country.

⁵⁷“The Foundations of Indian Federalism” by K. R. Bombwall

CHAPTER 4

INDIAN INDEPENDENCE AND ADOPTION OF THE CONSTITUTION

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4

INDIAN INDEPENDENCE AND ADOPTION OF THE CONSTITUTION

4.1. Drafting of the Constitution

4.1.01. India became independent from the British colonial rule on August 15, 1947. The country was, however, partitioned, with Pakistan becoming an independent country a day before. The partitioned India inherited, besides the British-Indian provinces, 562 princely states, as part of it. All indications were that the country was set to regain its federal edifice. The first major effort of the independent Republic was, therefore, to give to its people a Constitution to govern themselves with an evolving federalism within a federal-unitary continuum. The Constitution of India was adopted by the Constituent Assembly on November 26, 1949, and it came into force on January 26, 1950. The Constituent Assembly, which drafted and approved the Indian Constitution, was indirectly elected by the provincial legislatures in 1946, through a franchise granted on the basis of property ownership and educational qualifications under the Government of India Act, 1935. Suffrage was made universal, after independence, under the Constitution in 1950.

4.1.02. The founding fathers of the Indian Constitution drew their thoughts for drafting the Constitution, primarily from the then continuing federal administrative arrangements under the Government of India Act, 1935. In addition, the Euro-American federal traditions and their own intellectual exposure to the theories of dual and cooperative federalism influenced their approach. Notwithstanding the same, the political and social conditions prevalent in the country following the partition counted heavily with them in the final decision making process and as such their approach was critically tempered by the concerns for the future requirements of Indian Nation building. While defining and modelling the Indian federalism, the important and commonly accepted historical fact had been that the Indian federation was not the result of a contract between two or more pre-existing sovereign entities but, rather, an evolution of a sovereign will of the people to live together as one organic political Union. Although partition could not be avoided, the evolution of this will of the people was in keeping with the vision of, and largely inspired by, the Father of the Nation, Mahatma Gandhi. This will, as such, was amply

recognized by the founding fathers and the same was reflected in the form of one Constitution, single citizenship, and one common and closely integrated framework of administration and justice. This platform generally became the hallmark of Indian federalism. The Constitution that emerged, thus, was unique in many respects, particularly with regard to its in-built mechanisms of centralization and regionalization. The Union was considered as a framework of a federal Nation. Built into it was the autonomy of the constituent units which could be moderated circumstantially in accordance with the changing imperatives of the 'National' as well as larger 'public' interests.

4.1.03. The Constituent Assembly, through several expert committees, devised the notion of 'domain specification' for distribution of powers. Hierarchical, non-hierarchical and non-centralized distribution of powers were embedded within the federal framework. The aim was to provide the Union an organic linkage with the units to ensure unity of purpose and commonality of interests. The underlying and uncompromising assumption was that the proposed Union had to be indestructible. Dr. B.R. Ambedkar, the Chairman of the Drafting Committee of the Constitution of India, made the use of the term 'Union' clear when he stated in the Constituent Assembly that *"the use of the term 'Union' is deliberate... I can tell you why the Drafting Committee used it. The Drafting Committee wanted to make it clear that though India was to be a federation, the federation was not the result of an agreement by the states to join a federation and that the federation not being the result of an agreement, no state has the right to secede from it."* It also explains the fact that the Union is indestructible but not the States; their identity can be altered or even obliterated. Explaining the purpose, Dr. Ambedkar emphasized: *"the Draft constitution has sought to forge means and methods whereby India will have federation and at the same time will have uniformity in all basic matters which are essential to maintain the unity of the country"*. There was complete unanimity among the founding fathers that a strong federal government cannot assume an authoritarian outlook and the position and status of the States had to be suitably protected. While reposing great faith in the working of the parliamentary democracy, the focus was that the power must be exercised responsibly and under legislative sanction and scrutiny. The Constitution, for this purpose, made provisions for 'consultation,' which would act as a check to the arbitrary use of certain exclusive powers of the Union. These were in three forms: (i) consultation with the State, a pre-requisite (Article 3); (ii) indirect or designated consent of the upper House of Parliament (i.e., the Council of States, known as the Rajya Sabha) (Article 249); and (iii) majoritarian consent, appertaining to many constitutional provisions, the amendment of which cannot be effected unless approved by not less than one-half the total States of India (Article 368).

4.2. Federal Structure of the Constitution

4.2.01. The Constitution seeks and defines India to be 'Union of States' with a federal structure. Although the term 'federal' does not appear in the Constitution, it often arose in Constituent Assembly debates. The founding fathers based their logic on pragmatic considerations and wanted the Constitution to be *federal if necessary but not necessarily federal*. Indian federation, according to experts, approaches most closely to what has been called 'co-operative federalism'. This new phrase, which had emerged largely after the Second World War, was explained by A.H. Birch as⁵⁸: *"the practice of administrative co-operation between general and regional governments, the partial dependence of regional governments upon payments from the general governments, and the fact that general governments, by the use of conditional grants, frequently promote developments in matters which are constitutionally assigned to the regions."* This concept is⁵⁹ *"a general approach rather than a specific programme and it is characterized by increasing inter-dependence of federal and regional governments, a development that does not destroy the federal principle. This concept is generally applicable to India."* The view of some other experts is that the Constitution establishes a parliamentary form of government both at the Centre and at the States and has taken meticulous care to distribute powers between them. The Centre, as also the States, enjoy plenary powers in administrative, legislative and financial fields in their respective spheres. They derive their powers and authority from the Constitution, the supreme law of the land, itself. The Constitution defines the Indian Union as a composite whole, the integrity and sovereignty of which must be maintained by each structural limb of the government. It includes some special integrated features, for example, a single Constitution (excepting Jammu and Kashmir), single citizenship, a single integrated judicial system, a detailed outlining of structures and processes at the Union and State levels, as well as panchayats and municipalities. It has a unique model of All India Services where the Union recruits the members of these Services, but they are placed under various State cadres with responsibility to serve both the State and the Union. As of now, there are three All India Services, namely the Indian Administrative Service, the Indian Police Service and the Indian Forest Service. This arrangement was made in order to provide administrative cohesion in the federal-union system of governance.

4.2.02. The Constitution of India generates a highly complex notion of a strong federal union. It assigns certain exclusive powers in terms of legislative initiative and executive controls to the Central Government, the exercise of which can have a transforming impact on the polity. But, interestingly, these powers are made subject to varying degrees of federal concurrence, with an in-built constitutional mechanism of checks and balances, and parliamentary accountability. The organic Constitution, as it is, allows re-organization of the States and provision of state-hood to Union Territories. For example, the Parliament

⁵⁸"Federation, Finance and Social Legislation in Australia and the United States" by A.H. Birch

⁵⁹"Federation, Finance and Social Legislation in Australia and the United States" by A.H. Birch

has, by virtue of Article 3 of the Constitution, the exclusive power to form federal units. However, any legislative proposal in this regard cannot be introduced without obtaining prior Presidential (i.e., Central Government) sanction, which, in turn, must ascertain the views of the affected States before approving the introduction of such a bill in the Parliament. In practice it is rarely possible for the Parliament to ignore the views of the States. The Central Government, in effect, cannot concede to the demands of regional groups/communities for a separate State unless such a proposal is received from the State(s) in which these groups are currently located. At the time the Constitution was adopted, India had 14 States and six Union Territories. Beginning in 1956 and up to the submission of this Report, several reorganizations of the States and Union Territories have taken place. At present, India has 28 States and seven Union Territories.

4.2.03. Throughout the proceedings of the Constituent Assembly, the idea persisted that the ‘unity and integrity’ of the Nation which has been mentioned in the Preamble must be secured and this could be done only by adopting a federal structure with a strong Centre. It is significant that at the conclusion of the proceedings of the Constituent Assembly, the Chairman of the Assembly, Dr. Rajendra Prasad, referred to the fissiparous tendencies of communal differences, caste differences, provincial differences and so forth and found it appropriate to close the proceedings with a prayer⁶⁰ *“that the country may be given men of strong character, men of vision, men who would not sacrifice the interests of the country for the sake of smaller groups and areas and who would rise above the prejudices born of these differences.”* This prayer acquires added significance every now and then even now when forces of regionalism and communalism raise their heads in different parts of the country.

4.2.04. The Indian Constitution is first and foremost a social document. It seeks to build a diverse, pluralistic and multicultural federal society as an integral Nation through the adoption of the principles of social, economic and political justice, liberty of thought, expression, belief, faith and worship, equality of status and opportunity, and the promotion of fraternity among all, thus assuring the dignity of the individual and the unity and integrity of the country. The Constitution sets to achieve the federal objectives on the foundations of parliamentary democracy and secularism. The principles of secularism are applied to ensure the subjective neutrality of the government as well as the non-discriminatory, free growth of a civic-political Nation. However, for the purpose of attempting to integrate the deprived and marginalized groups into the mainstream, the Government, in keeping with the principle of social justice, practices affirmative and positive discrimination.

⁶⁰ “Union-State Relations in India” by R.C.S Sarkar, Former Law Secretary, Government of India, and Chairman, Union Public Service Commission

4.2.05. Indian federalism is known for the “differential loadings’ and varied arrangements of power distribution. The Seventh Schedule to the Constitution broadly divides and distributes competences, treating States on an equal basis. Articles 370, 371, 371A-G further modify this generality in order to provide for special arrangements of power distribution between the Central Government and a particular category of States. The purpose of this is to accommodate features of regional and ethnic governance. In many respects these articles restrict the applicability of certain federal laws in ‘special category’ States and the same become subject to the legislative sanction and approval of the concerned legislatures. The Fifth and Sixth Schedules to the Constitution provide for the creation of autonomous councils for tribal and ethnic people. Regional or district autonomous councils so created are supposed to share the legislative, administrative and financial domains of the concerned State. As one moves down the administrative institutional arrangements of Indian federalism, the locus of power distribution also changes. At the federal and State levels, legislative authority emanates from the Constitution itself, and the legislative distribution of competences is generally based on the recognition of the principle of sovereignty of some exclusive jurisdiction. The executive authority of each government (Central and State Governments) has been made co-extensive with its legislative competence. Legislative and executive authorities are complemented by the constitutionally ordained financial capacity of each unit. As the capacities are constitutionally protected, the power relationships between the Central and the State governments are difficult to change by other organs of government, including, by and large, by the judiciary. The judiciary is expected to provide the interpretation of the boundary and domain of powers but not to reallocate competences either by way of inter scheduling legislative entries or constricting the functional field of each entry in the schedule. Nonetheless, the Supreme Court has from time to time made certain pronouncements having a major bearing on Centre-State issues. For example, it ruled that the Parliament was competent to levy wealth tax on agriculture, even though the latter, as such, is a state subject. Likewise, the apex court’s interpretation in another case (*International Tourism Corporation vs. State of Haryana; AIR 1981; SC 774*) was that entries in the State List must be given a ‘broad and plentiful interpretation’ and should not be limited by invocation of residuary powers because that would ‘whittle down the power of the State and might jeopardize the federal principles.’ However, at the intra-State level, the legislative competence of the autonomous regional councils is only minimally defined and protected by the Constitution. The councils’ rule-making powers usually emanate from legislative and other validating acts of the respective State legislatures. At the lowest level of

governance (district and below), the local Government institutions are to prepare plans and implement schemes for economic development and social justice. Another notable feature of the distribution of powers is that while the legislative powers are horizontally distributed on the basis of territoriality, functional manageability and financial viability between the federal government and the States (and, to a limited extent, between the States and autonomous councils), the administrative and financial competences are functionally arranged. Administrative devolution includes the delegation of executive power in accordance with the administrative and functional imperatives of the subject in question. This devolution varies from subject to subject, on a case-to-case basis. However, this devolution is in addition to the constitutionally assigned executive powers of the States to raise their own finances. Financial distribution is made by the Union either on the basis of the tax division formula, as prescribed in the Constitution or on the basis of the recommendations of the Finance Commission, the statutory institution under the provisions of the Constitution. Additionally, inspired by the Directive Principles of State Policy as enshrined in the Constitution and by the models adopted by other socialist and developing economies, the Planning Commission was constituted through an executive order of the Union Government in the year 1950. The Planning Commission has been dispensing funds to the States and the Union Territories for development purposes, generally observing a five year plan period.

4.3. Distribution of Subjects between the Union and the States

4.3.01. So far as the Constitutional allocation of Union legislative field is concerned, List I has ninety-seven entries. A careful examination of these entries reveals that the list has been so arranged that, in each entry, a principal function is laid down and then followed by a detailed description of the enabling capacities that will result in its effective performance. A major area refers to the defence of India. For the federal government to effectively perform this function, its enabling capacities include raising and maintaining National armed forces (army, navy and air force) and central police reserves, prosecution of war crimes, deployment of armed forces in aid of the civil power to maintain public order, preventive detention, Central Bureau of Investigation, and the manufacture, purchase, and procurement of arms and ammunition. As an aspect of exercise and execution of sovereignty, the Union has exclusive control of foreign affairs and treaty making. The ambit of this power includes subjects such as diplomatic, consular and trade representation, as well as membership and participation in multilateral forums such as the United Nations. Above all, the federal government has exclusive power to implement

international treaties, agreements and conventions. This responsibility confers upon the federal government the power to modify domestic laws, including State laws, and to make changes in the existing pattern of federal power distribution. On the other hand, the States' competences in this regard are extremely limited. States can, within the overall regulatory and supervisory control of the federal government, negotiate with foreign countries to attract Foreign Direct Investment (FDI). Foreign trade and commerce, import and export across the custom frontiers, and the definition of custom frontiers fall under Union, not state, jurisdiction. These federal powers and functions extend to foreign jurisdiction, citizenship, naturalization and aliens, and extradition and immigration. The federal power to establish National networks and National communication includes growth, development, and management of federally designated railways, airways, highways, and waterways, including regulatory control over shipping and navigation on inland water ways, maritime shipping and navigation, lighthouses, and ports (concurrent jurisdiction). Over these areas, the States do not have any regulatory authority, except the constitutional obligation to maintain railways and highways in the respective states. The carefully worded Entry 31 places practically everything relating to communications within the domain of the federal government. This includes posts and telegraphs, telephones, wireless, broadcasting, and other like forms of communication. States in this regard have absolutely no function, not even an auxiliary one. A large number of National economic functions fall within the purview of the federal government. It exercises exclusive power over National currency and coinage, banking and insurance, public bonds issued by public sector undertakings, stock exchanges, foreign loans and central debt, inter-state trade and commerce, industries, mines and minerals, and natural resources such as oil fields, etc. The functions of the federal government in relation to the constitution, organization, and maintenance of federal agencies include elections to the Parliament, the state legislatures and to the offices of the President and the Vice-President; the Election Commission; the constitution, organization, jurisdiction, and powers of the Supreme Court and the High Courts; and the extension or inclusion of the jurisdiction of a High Court to any Union Territory. The power of the federal government with regard to education and educational institutions relates to coordination and determination of standards in institutions for higher learning and technical institutions. The determination of standards extends the government's power, enabling it to exercise control over institutions of higher learning that were established exclusively by the States.

4.3.02. The Constitution of India empowers the Union, and not the States, to initiate and effect changes in the Constitution. However, many Constitutional provisions cannot be amended unless they are ratified by no less than one-half of the States of the Union.

These include the election of the President, the extent of the federal government's executive powers, Presidential powers to promulgate Ordinances during a Parliamentary recess, organizational powers and the authority of the Supreme Court and the High Courts, distribution of legislative powers among the federal government and the States, the representation of the States in Parliament, and Article 368 relating to the amendment procedure. Another significant aspect of the Constitution is the judicially innovated and constructed 'doctrine of the basic features of the Constitution', the features that are solely determined, defined, and interpreted by the judiciary and cannot be amended.

4.3.03. The list of exclusive State legislative powers contains sixty-six entries. Some important entries include public order, police administration, State civil services, public health and sanitation, local communications, local government functions, such as relief for the disabled and unemployed, agricultural development including aquaculture and fisheries development, horticulture, sericulture, and so on, regulation of mines and minerals development (subject to List I provisions), and regulation and development of industries other than those that fall within federal government competence. The states' tax base includes items such as land revenue, agricultural income, succession and estate duties, tax on land and buildings, sales tax and consumption taxes, select excise duties, and other nominal toll taxes.

4.3.04. In order to promote and protect the diversity of laws, social traditions and federal experimentation, the Constitution of India provides for areas of concurrent jurisdiction with equal competence for the federal government and the states. But where laws conflict, it is federal law that prevails. The concurrent field contains important subjects, such as criminal law and procedure, civil law, property and contracts, preventive detention for reasons connected with the security of a State, maintenance of essential supplies and services, marriage and divorce, forest and wildlife protection, economic and social planning, including population control and family planning, social security and social insurance, labour welfare, education, including technical education, medical education, and universities and trade and commerce in, and the production, supply, and distribution of, any product declared by the federal government to be of National and public interest e.g., oil seeds and oils, raw cotton, raw jute, coal, steel, iron ore, petroleum, etc. Some of the entries in the Concurrent List pertaining to subjects such as criminal law, drugs & poisons, education, shipping & navigation on inland waterways, etc., are, however, subject to the provisions of entries included in the Union and the State Lists. The concurrent list contains forty-seven entries in all.

4.4. The Third-tier of Governance

4.4.01. As added through the 73rd and 74th Constitutional amendments in 1993, when the provisions of Article 243-243 ZG, already in process in varying degrees in different states, become fully operational, the local body institutions at the district level and below will usher in the third-tier of governance in an effective manner. This will make India a multi-level federation, even if these bodies do not have law enforcement (police) or judicial powers. Some policy makers and intellectuals are of the view that panchayats should hold police and judicial and law making powers as well, thus creating district governments. The Constitution suggests that States must transfer forty-seven subjects to the domain of local self-government institutions i.e. twenty nine to the Panchayats and eighteen to the Municipalities. This has created a dilemma for the States as they are finding it difficult to part company with the powers that the State legislative and administrative machinery currently enjoys. It is ironical that whereas on the one hand they are asking for greater devolution of powers from the Union to the States, on the other they tend to dither when it comes to the devolution of some of their powers to the Panchayats and the Municipalities for taking governance closer to the people.

4.5. Distribution of Revenue between the Union and the States

4.5.01. The Constitution of India provides for a variegated system of revenue distribution. All taxes and residual heads under the federal exclusive list are levied by the federal government, but such taxes are not necessarily collected and appropriated by the federal government. Taxes exclusively assigned to the federal government include custom duties, corporation tax, taxes on the capital value of assets, and surcharges on income tax and fees. The rest of the tax heads are subjected to differential modes of collection and appropriation. Stamp duties on bills of exchange, cheques, promissory notes, and so on, along with excise duties, as mentioned in the Union List, are levied by the federal government, but collected and appropriated by the States within their territories. Taxes levied and collected by the federal government but whose proceeds are assigned to the States in which they are levied include succession duties, estate duties, terminal taxes, taxes on railway fares and freights, taxes on the stock exchange, and a central sales tax on newspapers. Taxes on the inter-state consignment of goods are levied and collected by the federal government, with the proceeds going to the States. The federal government does not receive any revenue from these taxes. Income tax and excise duties are levied and collected by the federal government, but the proceeds are divided, or rather

redistributed, among States on the basis of a combination of specific criteria for fiscal equalization laid down by the Finance Commission. This combination generally includes population size, volume of industrial labour, per capita income, relative status of the State's economy and development, poverty index and other such indices of development and underdevelopment. The States' percentage share in the allocation pool varies from case to case. In practice, the overwhelming concern has been distribution on the basis of population, relative poverty and the level of development. Besides this sharing of revenues among the States, Article 275 provides for grants-in-aid to such States as Parliament may deem is their need for assistance, particularly regarding the promotion of welfare of tribal areas. Grants are also sanctioned to meet the cost of such development schemes as may be undertaken by the State with the federal government's prior approval. The Thirteenth Finance Commission (2010-2015) has provided for the sharing of 32 per cent of the gross proceeds from federal taxes and duties with the States. The objectives of federal grants are to compensate for the States' residuary fiscal needs in order to correct regional disparities, to promote social welfare schemes, and, above all, to seek a fine balance between the States' resources and their developmental needs. Indeed the demand of the States for such a sharing of the gross proceeds from federal taxes and duties has always been much higher. As the States' resources are required to correspond closely to their obligations, opinions have been expressed that the devolution should be done in a manner that takes an integrated view of the plan as well as non-plan needs of both the Union and the States.

4.5.02. The vision of the founding fathers of the Constitution had been that the Constitution should serve as a guiding force for free India to meet her aspirations and at the same time must be flexible, adaptable and amendable to meet the changing and emerging needs of the society. Speaking on the Objectives Resolution on January 22, 1947, Pandit Jawaharlal Nehru had declared⁶¹:

“A free India will see the bursting forth of the energy of a mighty nation. What it will do and what it will not, I do not know, but I do know that it will not consent to be bowed down.....This house cannot bind down the next generation or the people who will duly succeed us.....”

Nehru was prominent amongst those who had first broached the idea of a Constituent Assembly to draw up a Constitution for a re-nascent India. As the head of the Interim

⁶¹ “Report of the National Commission to Review the Working of the Constitution (Venkatchaliah Commission)”

Government and a prime mover of the Constitution making process, he was deeply immersed and dynamically involved in every stage of the framing of the Constitution and reiterated his views over and over again, on appropriate occasions.

4.5.03. The Indian National Movement was an epoch making exercise, in the sense that it adopted methods which were unheard of in the annals of world history. The spirit of the movement was reflected towards its end in the willing cooperation of the colonial administration for acceding to the Indian independence. The Indian Constitution, accordingly, reflected the Nation's confidence in self governance. Though India inherited alongwith independence a climate of shortages, communal divide and above all heterogeneous administrative units, the unification of States immediately after independence reflected the spirit of Constitution and the confidence among its various units to live together as a single Nation.

CHAPTER 5

THE FIRST THREE DECADES OF THE INDIAN REPUBLIC: EARLY CHALLENGES IN CENTRE-STATE RELATIONS

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5

THE FIRST THREE DECADES OF THE INDIAN REPUBLIC: EARLY CHALLENGES IN CENTRE-STATE RELATIONS

5.1. Introduction

5.1.01. Independent India inherited an area of nearly 3 million square kilometres. As a plural and multicultural society with interactive patterns between caste, tribe, ethnicity, religion, ecology, language, history, and administration, India also inherited multiple regions, communities and languages or dialects (including twenty-two languages, as listed in the Eighth Schedule to the Constitution). While Hindi was given the status of the official language as it was spoken by about 30 per cent of the population, continuation of English for official purposes was also provided in the Constitution (Article 343). All major world religions, including indigenous faiths, maintained their presence in India. At the time of partition, Hindus constituted about 85 per cent, Muslims about 12 per cent, and Christians about 3 per cent. In the Hindu population, indigenous reformist religions: Sikhism (2 per cent), Buddhism (0.8 per cent) and Jainism (0.4 per cent) were included. These percentage figures indeed have undergone a change in the last six decades after Independence. The Directive Principles of State Policy had set a uniform civil code as a desirable Constitutional goal for the federation (Article 44). According to Article 25 of the Constitution, relating to 'Freedom of conscience and free profession, practice and propagation of religion', the reference to Hindus is to be construed as including a reference to persons professing the Sikh, Jaina or Buddhist religion. Thus independent India carried with it, its plurality of faiths, customs, languages and religions.

5.2. Reorganization of States on linguistic basis

5.2.01. The Independent Indian State sought to model the Indian society based on the principles of secularism, egalitarianism and political equality. National Integration and Democratic Participation were considered the watch-words in politics. However, notwithstanding the strong National fervour, at the regional and sub-national level, factors such as the fear of the ethnic groups getting submerged in the larger principle of Nationhood, their regional aspirations and their desire for preserving the ethnic and political identity were also being regularly expressed. As a result, demands were put forth for

regional autonomy and share in political power on the strength of ethnic loyalties. The issue of 'linguistic States' became the focus in some States and the first major irritant in our federal relations resulting in popular local agitations. Political parties tried to exploit the cause of linguistic minorities within the heterogeneous regions leading ultimately to the reorganisation of States on linguistic basis in 1956. In 1953, the first such State, Andhra, was created after the riots and demonstrations had broken out following the death by fasting for this cause of Potti Sriramulu, a noted Andhra linguistic enthusiast. Subsequently, the Government, in the same year, i.e. 1953, appointed the 'States Reorganization Commission' to examine and suggest a rational solution for the reorganization of States, based on language. The Commission, after consultations and interactions with various groups of people, reported to have found the public will in favour of linguistic reorganization. The rationale was that language being the most faithful reflection of the culture of an ethnic group, ethno-lingual boundaries would be considered the most stable and suitable arrangement for the effective working of democratic entities and institutions. It was also perceived that the same would also have the advantage of 'ease for people's interaction with the government'. The noted political historian, A.S. Narang, has observed that at the time of writing the Indian Constitution, the Constituent Assembly had postponed the revision of States on linguistic lines. Thus, the political map of the country was made up of highly disparate bits and pieces and into three categories of States with different structures of federal relationships, according to administrative convenience. The States did not reflect ethnic areas but rather the administrative and territorial divisions which had grown up over the course of time during the era of British rule in India. The States Reorganisation Commission in its report concluded⁶²:

"It is obviously an advantage that Constituent units of a federation should have a minimum measure of internal cohesion. Likewise, a regional consciousness, not merely the sense of a negative awareness of absence of repression or exploitation but also in the sense of scope of positive expression of the collective personality of a people inhabiting a state or a region may be conducive to the contentment and well being of the community. Common language may not only promote the growth of such regional consciousness but also make for administrative convenience. Indeed, in a democracy, the people can legitimately claim and the government have a duty to ensure that the administration is conducted in a language which the people can understand."

The States Reorganization Commission, accordingly, unanimously adopted the principle of linguistic homogeneity as the basis to recommend the reorganization of States. The Commission, however, did not apply the linguistic criterion in case of Bombay and Punjab. The government accepted the recommendations of the Commission. Linguistic division of States and reshaping of the political boundaries took place in the year 1956. The bi-

⁶² Article on "Federalism: Nature and Working" by A.S. Narang, in the book titled "Rethinking of Centre-State relations in India", edited by R.C. Sobti and Ashutosh Kumar

lingual Bombay and Punjab were subsequently bifurcated to form uni-lingual Maharashtra and Gujarat, in the West, and Punjab and Haryana in the North, in 1960 and 1966 respectively. Political scientists believe that in the process of reorganization of States, there was an earnest desire for reconciliation of diversities, and a genuine search for political identity for the ethnic and linguistic groups within the larger framework of federal unity and without weakening the Nation's integrity. In social terms, it removed a major source of discord, and created homogenous political units which could be administered through a medium, the local language, that the vast majority of the population understood. In the case of North-Eastern States, Jammu and Kashmir and for some other States, however, a variety of special arrangements were provided under Articles 370 and 371 from time to time. Political scientists also recognized that the indirect benefit of reorganization of States had been the preservation of the cultural identity of the major linguistic groups to their satisfaction which promoted the unity among the cultural groups within the State. States on the other hand also extended some special rights, benefits, and social advantages to the disadvantaged groups within the State.

5.2.02. India also had to accept, alongwith Independence, a fragile economic system suffering from serious food and other shortages and a frail and turbulent political atmosphere. Although the country, a couple of years down the line, adopted a Constitution which had to be and was amenable to the multi-faceted and emerging needs of the new and nascent Nation, but the conditions at the time of achievement of the 'Political Freedom' put the federal system *per se*, to severe test and as such the Indian federalism did experience early stresses. As has been mentioned in the previous chapter, the Indian model of federalism was the product of two cultures: one representing its leaders' normative concerns for the events shaped by history in a variety of local situations; and the other reflecting their ideology and concern for National unity, security and administrative efficiency. The former established the basic federalism while the latter resulted in the centralized institutional arrangements which were somewhat similar to the earlier British models. It will also appear that the Constitution, the foundation of which in the earlier debates was meant to be based on cooperative federalism, ended up being more unitary in character. To start with, however, the ethnic principle of Nationhood was resolved through 'linguistic re-organization of States'.

5.3. The Anti-Hindi Agitation

5.3.01. Regional aspirations found expression in other forms also. One such important form which had begun during pre-independence period itself was anti-Hindi movement,

spearheaded primarily by the Dravidian parties of Tamil Nadu. This movement had its active presence over a longer span of fifteen years (1952-1967) in the post-independence era, touching the emotive, economic and employment related-issues. Notwithstanding the Official Language Act of 1963, which gave legal status to Nehru's assurance of 1959 as also the Official Language (Amendment) Act of 1967 which legitimised the subsequent assurances by Lal Bahadur Shastri, the momentum of the agitation continued, particularly in south, leading to the eventual fall of the Congress Government in Tamil Nadu. The anti-Hindi movement had in fact been started in the pre-independence period itself by the Dravidian party, Dravida Kazhagam, headed by Periyar E.V.Ramasamy Nayakar, primarily to agitate against the introduction of Hindi as a compulsory subject in the schools of the then Madras Presidency. The Kazhagam succeeded in preventing compulsory teaching of Hindi in the schools of the Presidency. The agitation of the post-independence period was conducted to ensure the continuation of English as an official language and to prevent Hindi from becoming the sole official language of the Republic. The Dravida Munnetra Kazhagam, DMK as it is popularly known, the descendent of the Dravida Kazhagam, was behind most of the All party agitations concerning the movement. The Government and more particularly, the Prime Minister Pandit Jawaharlal Nehru himself, responded with the constitution of the first Official Language Commission, under the Chairmanship of B.G.Kher, in June 1955. The Commission submitted its Report in July 1956. It recommended a number of steps to eventually replace English with Hindi. The report was not unanimous and had dissenting notes from non-Hindi speaking Members of the Commission from Tamil Nadu and West Bengal. The report was further reviewed by a Parliamentary Committee on Official Language, constituted in September 1957 and Chaired by Pandit Govind Ballabh Pant. The Pant Committee submitted its report in February 1959. It recommended that Hindi should be made the primary official language with English as a subsidiary one. The Kher Commission and the Pant Committee recommendations were opposed by many non-Hindi speaking politicians and academic groups. As the opposition grew stronger, Prime Minister Pandit Jawaharlal Nehru tried to reassure the concerns of the non-Hindi speaking States. Speaking in the parliamentary debate on the Pant Committee Report in September 1959, Nehru gave an assurance:

“For an indefinite period-I do not know how long- I should have, I would have English as an associate, additional language not because of facilities and all that but because I do not wish the people of non-Hindi areas to feel that certain doors of advance are closed to them because they are forced to correspond –the Government, I mean-in the Hindi language. They can correspond in English. So I could have it as an alternate language as long as people require it and the decision for that- I would leave not to the Hindi-knowing people, but to the non-Hindi-knowing people”

This assurance momentarily allayed the fears of the agitators. However, as the deadline stipulated in Part XVII of the Constitution, January 25, 1965, i.e. fifteen years after the adoption of the Constitution on January 26, 1950, for switching over to Hindi as primary official language approached, the government efforts to spread Hindi's official usage stepped up. At the same time, to give legal status to Nehru's assurance, of 1959, the Official Language Bill, with the main object of "Continuance of English language for official purposes of the Union and for use in Parliament....." was introduced on January 21, 1963. The object of the bill, *inter-alia*, stated that:

"Notwithstanding the expiration of the period of fifteen years from the commencement of the Constitution, the English language may, as from the appointed day, continue to be used, in addition to Hindi, — (a) for all the official purposes of the Union for which it was being used immediately before that day; and (b) for the transaction of business in Parliament: Provided that the English language shall be used for purposes of communication between the Union and a State which has not adopted Hindi as its official language....."

In Nehru's own words:

"This is a Bill, in continuation of what had happened in the past, to remove a restriction which has been placed by the Constitution on the use of English after a certain date i.e.1965. It is just to remove that restriction that this is placed."

Although the Bill was opposed primarily by the DMK, it was passed on April 27, 1963. The introduction of the three language formula in the Madras Assembly by the then Congress Government in the State in March 1964 led to further agitation and this time the agitation enlisted the student support also to the anti-Hindi cause. The agitation was to push for scrapping the three language formula and a Constitutional Amendment for dropping the Part XVII of the Constitution. The response to the agitation was in the form of the then Prime Minister, Lal Bahadur Shastri's promise to honour Nehru's earlier assurance in addition to his own four other assurances, which temporarily calmed down the situation. Efforts to amend the Constitution in accordance with Shastri's assurances in the form of Official Languages (Amendment) Bill of 1967, faced stiff resistance from the pro-Hindi lobby but the bill was finally passed in December 1967 and received Presidential assent in 1968. The amendment led to guarantee the virtual indefinite policy of bi-lingualism. The language issue in its multiple manifestations was, perhaps, the first important testing ground for the Nation's federal ethos.

5.4. The Punjab Problem

5.4.01. The other inflammatory instance that caused fissures in the federal fabric of the country was the Punjab agitation in the name of ‘Punjabi Suba’. The Punjabi Suba agitation had different colours and complexions. Initially the agitation had ethnic and language connotations, founded by a feeling of distrust over the Punjabi language, between the Hindu and Sikh communities, but the same was given the shape of religious Nationalism subsequently which ultimately led to ripping the ground to a secessionist movement with insurgent activities. The Punjab agitation that continued for over three decades, was a classic test case for our federal polity. The composite Punjab, it may be recalled, was one of the major churning grounds for the politics of communalism played by the British over a period of a century leading to the partition of India. After the partition, Jawaharlal Nehru had made a fervent and conceptual reference to the secular politics in a democratic State. On October 12, 1947, in New Delhi, he is reported to have said⁶³:

“So far as India is concerned, we have clearly stated both as government and otherwise that we cannot think of any state, which might be called a communal or religious state. We can only think of a secular, non-communal democratic state, in which every individual, to whatever religion he may belong, has equal rights and opportunities”

The Constitution declared India a secular state. India was to have ‘no State religion’ but to give equal respect to all religions. As a front runner to reap the benefit of green revolution of sixties, Punjab was at the forefront of the federal units of India with the highest per-capita income. Yet there existed a psychological wall between two dominant communities: the Hindus and the Sikhs. This was notwithstanding the fact that the Sikhs, as much as Hindus, if not more, in their emotive plane, were in the forefront of the National Independence Movement. Political scientists, attribute the existence of the psychological division between the communities to the growing levels of religious Nationalism. The acceptance of the Hindi language as the mother tongue, *vis-a-vis* the local Punjabi, in the sixties by the Hindus may have marked the beginning of the problem and was one of the major reasons, which led to the division of Punjab in 1966. The distrust was further forged by the religious communalism of the seventies and by the insurgent activities in the eighties, with the connivance of cross-border hostile forces supporting the demand for separatism, leading to violent reprisal and counter-reprisals. The normalization process

⁶³ Article on “Centre-State relations, with special reference to tensions of Federalism in Punjab” by Surinder K. Shukla, in the book titled “Rethinking of Centre-State relations in India”, edited by R.C. Sobti and Ashutosh Kumar

initiated through the famous Rajiv - Longowal Accord of 1986 brought Punjab back into the mainstream federal runway in the early nineties. The political acumen of the National and regional parties, the saner elements in both communities, besides the administrative efforts of the Government, played a major part in this normalization and after a period of almost three decades, Punjab started respecting the federal collectiveness. Although calm had been restored, the cost of the same was considered so heavy that some political analysts have attributed the same to the system failure of our federal polity.

5.5. The Zamindari System

5.5.01. Besides the language issues in their several manifestations, another early challenge that independent India faced successfully and which had been the commitment of the Indian National Congress right from the mid-thirties was to implement the much needed agrarian reforms particularly the abolition of the Zamindari System. The Zamindari System which was a legacy of the Mughal period had become a legal entity under the British through the Permanent Settlement of 1793. It might have served some purpose for the colonial rulers, but had generated several ills in the society and was perceived to be totally against the ethos and principles of egalitarian society which the Indian leadership looked for. The impetus for this agrarian reform was provided by the Provincial Assemblies (1936-37), which had a much larger representation from the rural areas. For the Indian National Congress, the agrarian question was the dominating social issue and there was an all India agrarian policy which had been formulated by the central organization and each province added to it and filled in the details. The United Province Congress was in this respect the most advanced and it had reached the conclusion, as part of the agrarian reforms, that the *Zamindari* (Landlord) system should be abolished. This, however, was impossible under the Government of India Act, 1935. Therefore, the action lingered on. After the independence and soon after the Indian Constitution came into force, the Constitution (First Amendment) Bill was introduced, inter alia, to amend Article 19 to provide for Zamindari abolition. The main objects of the Act were to amend Article 19 and insert provisions for fully securing the Constitutional validity of Zamindari abolition laws in general and certain specified State Acts in particular.

5.6. Centre's Powers for Land Acquisition

5.6.01. Other instances where the federal authority and federal principles faced strains,

were fewer, barring the well known example of a legal suit filed by the by the Government of West Bengal, against the Government at the Centre, challenging the validity of certain provisions of Coal Bearing Areas (Acquisition and Development) Act, 1957⁶⁴. Political scientists viewed that the courts were careful to hold that the States should not be allowed to act as a bar to federal action for implementation of National plans. In the case of State of *West Bengal vs. Union of India*, the West Bengal Government questioned the power of the Union to acquire land vested in that state. The Court held that the Central Government has the power to acquire property for a public purpose and it can exercise this power irrespective of whether the property is private or State-owned. It will be difficult to hold that Parliament is not competent to acquire by legislation property owned by a State on account of some assumption as to the absolute sovereignty of the State.

5.7. The Problem of Insurgency

5.7.01. The ethnic groups in North-East also, for social, economic and political reasons, had started raising the voice for autonomy giving rise to insurgency in several parts such as Mizoram, Manipur, Nagaland, Assam and some other areas. With the passage of time through consultative and developmental process as also through administrative actions, the situation has been brought under control in several parts of the region, while efforts are on to resolve the issues in other areas. The Government of India has all along stuck to the position that the ‘sovereignty’ issue has to be kept beyond the scope of discussion and no such discussion can on other issues start unless the armed rebellion is given up. Mizoram in this case is a good example where the militants accepted these principles and peaceful democracy has been flourishing for over two decades now without any bloodshed. Similarly, the State of Jammu & Kashmir continues to offer, besides the security problems, a major challenge to Centre-State relations. As noted elsewhere in this Volume, very recently a report on Centre-State relations where the State of J & K is concerned has been submitted to the Government by Justice S. Saghir Ahmad, who was heading a Group on this subject constituted at the initiative of Prime Minister, Dr. Manmohan Singh. These issues have been discussed in some detail in Volume V of the Report pertaining to Internal Security.

5.8. The Debates on Constitutional Issues

5.8.01. For a large country like India coming together as one Nation after centuries of subjugation and constituted out of vastly different groups of people, aberrations

⁶⁴ “Union-State Relations in India” by R.C.S Sarkar, former Law Secretary, Government of India, and Chairman, Union Public Service Commission

mentioned in the foregoing Paragraphs, though serious and stressful, did not, however, pose an alarming challenge to the oneness of the country and acted more as lessons for the future governance of the country. The Centre-State relations during this period, by and large, were managed satisfactorily and in strict adherence to the Constitutional principles. The then Prime Minister, Pandit Jawaharlal Nehru happened to wield considerable personal authority that overshadowed the heads of the regional administrations. Nehru's persuasive skills virtually disallowed other federal differences to come to the fore, as many of them, if existed, were dealt with outside the Constitutional dispute resolution framework and outside the political application of the federal ethos.

5.8.02. The Constitution is structured by the founding fathers to provide greater powers to the Union, in the interest of unity and integrity of the country and in that context they deliberately allowed a bias towards centralization. The same was reflected in the emergency provisions, in fiscal management, in some areas relating to national security, administration of residuary subjects etc. It assured autonomy to the States in certain specific fields. It was expected that, over a period, this arrangement will develop and result in a relationship of cooperative federalism, which was considered imperative in the interest of country's stability and development. However, political developments, particularly in the post-1967 period somewhat belied or at least disallowed these expectations to take shape in a hurry. On the other hand, the States would allege that systematic manoeuvres were being put to practice by the Union Government for centralization, which caused political distortions and federal tensions. On the political front, federalism went through its greatest strains in the years after 1967. This was attributed to the changes in the Indian political scene after the 1967 elections. While people in a number of States did not vote for absolute majority in favour of a single party, save the simple and reduced majority in the Lok Sabha for the Congress, most of the non-Congress and regional parties, were equally unable to forge an All-India alliance. The absence of an All-India alliance or a National level alternative, encouraged the government at the centre to resort to various manoeuvres towards centralization. To some extent this caused political instability, both at the Centre and the States. However, with the Indian National Congress obtaining near two-thirds majority in the 1972 Parliamentary Elections, reaping on the success of the Bangladesh liberation war, the federal government started arguing the case for a 'strong centre' not only to serve the interests of balanced development but also to safeguard the unity and integrity of the country. At the operational level, the federal government embarked upon a programme of restructuring the institutional grid of 'State

power' in such a manner so as to reflect the preponderance and dominance of Central political and bureaucratic structure over their counterparts in the States. Paradoxically enough, the systems so re-organized led to intensification of regional contradictions and erosion of boundaries between State and Central politics. The Central government adopted increasingly interventionist practices in the States. Office of the Governor and Emergency provisions provided in the Constitution, particularly those of Article 356, were used in an extra-ordinary way to keep and maintain Union's pre-eminence. The Governor's role, during this period, was often a subject of debate by Jurists. Eminent Jurist Soli J. Sorabjee puts it as⁶⁵:

"It will not be exaggeration to say that no institution or constitutional office has suffered greater erosion or degradation than the office of Governor. The public today generally regard the Governor as an employee of the Central Government and in some cases as a spy of the Centre. The unfortunate fact is that few incumbents of this high office have any clear conception of their role in our constitutional scheme and in fact regard themselves as the lackeys or employees of the Central government and readily act according to its behest."

The symptoms of Centre's efforts for establishing its supremacy had had its reflections in early fifties also. The coalition ministry in Patiala and East Punjab States Union (PEPSU) was dismissed on the ground of law and order in 1953. Likewise, in 1959, the Communist government, headed by E.M.S. Namboodripad, was dismissed by the Central Government on similar grounds, raising a great political furore.

5.8.03. There were contemporary debates during this period that centred around the issue whether the federal system should be made up of 'strong Centre versus weak States' or 'strong Centre versus strong States'. In the first case it was opined that the Centre is already strong and could become stronger only at the expense of the States. Therefore, it would be necessary and desirable that the Centre devolves a considerable measure of autonomy to the States, in terms of legislative competence and fiscal management and with a potential to take an equal position in federal ethos. The role of the federal government may even get restricted to discharge of limited functions. This proposition also pre-supposes that the strength of one system be improved at the cost of the other. The other dimension of this proposition is that the same would sacrifice the imperativeness of a strong centre which would be against the intention of the founding fathers. Equally, management of regional autonomy is a function of relative capability of the units and cannot be considered in absolute terms and in order to obtain such a strength the units

⁶⁵ Article on "Federalism: Nature and Working" by A.S. Narang, in the book titled "Rethinking of Centre-State relations in India", edited by R.C. Sobti and Ashutosh Kumar

should be sub-serving partners to a strong federal system. But, given this view, paradoxically, federalism, as a model characterising both autonomy and integration, is liable to lose in content. The proposition of ‘strong Centre versus strong States’ was viewed to have the potential to balance the power equation in favour of both the power centres gaining from each other’s strengths.

5.8.04. The proposition of ‘Strong Centre and Strong States’ and the stock-taking of the two decades of experience made federal power relations the subject of debate by several experts and expert Committees in and outside the government. The first such attempt was by the study team of the Administrative Reforms Commission (ARC), constituted by the Central Government in 1968. Dwelling on the subject of autonomy and devolution of powers to the States, the ARC took the view that the Lists have been drawn up admirably well and they “do not consider the time ripe or in any other way appropriate for a general review” of the Lists.⁶⁶ The ARC, although emphatic on the ‘Strong Union’ concept, laid emphasis on autonomy of States in managing some select areas of governance. ARC’s recommendations, in that context, were based on the principles that⁶⁷: (1) arrangements for devolution should be such as to allow the States’ resources to correspond more closely to their obligations; (2) devolution should be in a manner that enables an integrated view of the plan as well as the non- plan needs of both the Union and the States; and (3) advancement of loans should be related to what the team referred to as ‘the productive principle’.

5.8.05. Another major study, from the side of the State Governments was made by the Rajamannar Committee, on Centre (Union) – State Relations, set up by the State Government of Tamil Nadu in 1971. The Rajamannar Committee, made a critical analysis of the ‘Strong Centre’ concept. The Committee strongly favoured the autonomy of States. It went to the extent of recommending unburdening the Centre in many areas of responsibility and its occupancy in many fields as was the case in many other federations. It touched upon the areas in legislative responsibilities through redistribution of entries in the Seventh Schedule. Its other recommendations included emphasis on legislative competence for States to amend the Central Laws enacted by the Parliament, mandatory consultations with States with respect to decisions affecting the States’ interests etc. There was a fundamental difference between the approaches of ARC and the Rajamannar

⁶⁶ “Union-State Relations in India” by R.C.S. Sarkar, former law secretary, Government of India, and Chairman, Union Public Service Commission

⁶⁷ Article on “Republic of India” by George Mathew, in the book titled “Distribution of Powers and Responsibilities in Federal Countries”, edited by Akhtar Majeed, Ronald L. Watts and Douglas M. Brown

Committee. The Terms of Reference of the Rajamannar Committee had enjoined it 'to suggest suitable amendments to the Constitution to secure to the States the utmost autonomy'. The Committee, as the report reveals, did not take note of the peculiar problems which the country was facing preceding to and after Independence. It tried its best to mould the Indian constitution on the American model. The central theme in the Recommendations of the Rajamannar Committee was to eliminate the concept of the legislative supremacy of the Centre and to confer maximum autonomy to the States.

5.8.06. In December 1977, the West Bengal Government published a Memorandum, on Centre-State relations. Its main suggestions included: (1) replacement of the word 'Union' by 'Federal'; (2) repeal of Articles 356, 357 and 360; and (3) mandatory consent of State Government for formation of New States and alteration of area, boundaries or names of the existing States. At the same time, in his Memorandum to the Prime Minister, Morarji Desai, in January 1978, while seeking review of the Centre-State relations, the CPI (M) leader and the Chief Minister of West Bengal, Jyoti Basu, had, inter alia, stated:

"A strong and united India can only be one in which the democratic aspirations and distinctiveness of the people of the different States are respected and not treated with disdain. We all are definitely for strong States, but on no account do we want a weak Centre. The concept of strong States is not necessarily in contradiction to that of strong Centre once their respective spheres of authority are clearly marked out".

5.8.07. The seventies (and early eighties) witnessed academic introspection and analytical stocktaking of federal functioning, under the aegis of several committees and study groups both within and outside the governmental patronage. In parallel, while there were efforts and tendencies to centralize the power structures by federal Government(s), there was clamour at the States' level for effective federalization of the polity with stress towards and preference to regional autonomy. Supporters of centralization argued that a strong Centre is needed to be able to effectively protect and project the National unity and integration by stemming the institutionalization of the sub-national loyalties. Those supporting the cause of de-centralization of powers and autonomy were advancing the argument that India has manifold diversities and preservation of these diversities would require local initiatives with the support of local talent. The imposition of emergency in the mid 70s and the passage of 42nd Amendment (which was subsequently diluted by the 44th Amendment) only added to the demand by the States for greater devolution of powers. There were, therefore, concerted efforts during this period by regional parties and their

composite groups in coordination with non-Congress National parties to demand for State/Regional autonomy vigorously. The fact that the federal polity, after the 1980 General Elections, was divided between single party (Congress) dominance at the Centre and the cluster of regional and non-Congress governments at the States, perhaps provided an ambient atmosphere for such a demand. In short the principle of ‘consensus and co-operation’ which was the pre-requisite for the smooth functioning of the Union-State relationship was being virtually threatened by the politics of confrontation. In the light of this perspective, and after mature consideration, Smt. Indira Gandhi, the then Prime Minister, with great foresight and wisdom called for a fresh and comprehensive review of the arrangements between the Union and the States, in all spheres. On March 24, 1983, Smt. Gandhi announced in Parliament the proposal to appoint a Commission on Centre-State Relations under the Chairmanship of Justice R.S. Sarkaria, a retired Judge of the Supreme Court. She declared⁶⁸ that *“the Commission will review the existing arrangements between the Centre and the States while keeping in view the social and economic developments that have taken place over the years. The review will take into account the importance of unity and integrity of the country for promoting the welfare of the people”*. She further enunciated⁶⁹ that the Commission would examine *“the working of the existing arrangements between the Centre and the States and recommend such changes in the said arrangements as might be appropriate within the present Constitutional framework”*. Thus came into existence the first Commission on Centre-State Relations.

5.8.08. The first three decades of Indian independence, on balance, witnessed the stabilization of its federal system. Although the process had its ups and downs, the end result on the whole was satisfactory. By the late eighties India had established before the world and her people that its practicing democracy was deep rooted and dynamic. This dynamism was evident in the initiation of the process for introducing the third-tier of administration in the late eighties. The maturity of the policy was reflected in accommodating coalition systems, both at the Centre and the States, which was the hallmark of the federal practices and the expanding democratic space to larger sections of the society.

⁶⁸ “Part I of the Report of the First Commission on Centre-State Relations (Sarkaria Commission)”

⁶⁹ “Part I of the Report of the First Commission on Centre-State Relations (Sarkaria Commission)”

CHAPTER 6

THE FIRST COMMISSION ON CENTRE-STATE RELATIONS

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6

THE FIRST COMMISSION ON CENTRE-STATE RELATIONS

6.1. The Background

6.1.01 An exhaustive and balanced treatment generally of the entire gamut of federal power sharing and distribution of responsibilities, as witnessed in the early period post India's independence, can be seen in the Report of the first Commission on Centre-State Relations, headed by Justice R.S. Sarkaria, which was submitted to the Government in the year 1988. Constituted in 1983, the first Commission had the benefit of over three decades of working knowledge and experience of the conduct of federal units and the Central Government, an experience concurring with the times when the country as a whole and the units individually had to meet with pressing contradictions in following the theory and practice of federal ethos. Some of these contradictions related to: Nationalism vs regional ethnicism, uni-lingualism vs multi-linguistic culturalism, secularism vs religious Nationalism and centralism vs federalism. The first Commission, therefore, in segregated sections, examined in detail, the nature of contradictions and complementarities in the federal relations that were in vogue and had been put in practice over the three decades, in relation to the federal conventions that were enunciated by the framers within the overall Constitutional edifice. The Commission examined the same in the three universally accepted sectional forms namely, the legislative, the administrative and the financial relations. In the legislative relations, among others, detailed consideration was given to the structural and functional aspects of the 'legislative lists' in the domain of the Centre, the State and the concurrent jurisdiction, the Articles of the Constitution bearing close links with the functioning of the Centre and States and the related aspects. In the administrative relations the report provided extensive focus on the role of Governor, the prime and organic Constitutional link between the Centre and the State. Other subjects, dealt within this section included the promulgation of Ordinances, the emergency provisions, the deployment of Union Armed Forces in a State for Public Order duties, the role of All India Services, and the functioning of the Inter-Governmental Councils. In financial relations, detailed consideration was given to the distribution of taxation powers, the transfer mechanisms under the aegis of the Finance Commission(s), the

resource mobilization practices by the Centre and the States, the economic and social planning including the Panchayati Raj system, the balanced development of agriculture and industry, the inter-state trade and commerce, the inter-state river-water disputes and other connected issues, which had the economic, political and emotive bearing on the federal relations. In addition, the Commission focussed its attention to the role of Judiciary, the mass media, dissemination and communication of prompt and correct information and the management of the language formulae to promote healthy practices and sound federal relations.

6.1.02. The Report, admittedly, strove to situate the 'Union of States' framework of the Indian Republic and its polity in a living design that would lead to 'striking a fair balance' between autonomy and integration in the declared mould of *Federation with a strong Centre*'. It attempted to find workable and mutually acceptable resolution mechanisms on several issues in the sensitive domain of the federal government's prerogatives and States' rights and Constitutional claims in the spirit of cooperative federalism, but within the overall framework of the Constitutional prescriptions. Another interesting aspect was that the report addressed the methods of '*exercise of authority*' that would be devolving under various federal provisions of the Constitution and suggested ways of achieving transparency and objectivity in the same. The recommendations relating to the role and conduct of the institution of the Governor, as an example, would make the point manifest. The Commission recognized and supported the utmost need for the growth of a congenial political and federal culture, with favoured norms and conventions under which conflicts would be resolved through negotiations, thereby minimising the options for frequent references to the Constitutional provisions and judicial interventions. On the working of the Constitution, the principal guiding force for the functioning of the federal mechanisms, the Commission's opinion had been explicit and clear. The Commission, *inter-alia*, reported: "*it is neither advisable nor necessary to make any drastic changes in the basic character of the Constitution.*" This is because "*the working of the Constitution ... has demonstrated that its fundamental scheme and provisions have withstood reasonably well the inevitable stresses and strains of the movement of a heterogeneous society towards its development goals*". The report with an elaborated coverage of subjects and their logical treatment, guided by a detailed consultation process, signified itself to be considered as a standard reference document for banking upon, from time to time, in resolving federal differences in the two-tier administrative system inspite of the fact that some of its recommendation were not formally accepted by the Government. It advanced persuasive arguments on the advantages of : (1) 'decentralization' in the context of maintenance of diversities and pluralistic identities; (2) establishment and adherence to conventions outside the Constitutional stipulations for smoothening the federal fabric ;

and (3) development of mutual trust, confidence and understanding between the two-tiers of polity. Dwelling on the 'Principle of Union supremacy' in the legislative and administrative fields, the Report averred that 'Supremacy Rule is the keystone of Federal Power'. Further, focusing this concept in a comparative perspective with other established federations such as USA, Canada, Australia, and Germany, the Commission maintained:

"In every Constitutional system having two levels of government with demarcated jurisdiction, contents respecting power are inevitable.....The rule of Federal Supremacy is a technique to avoid such absurdity, resolve conflicts and ensure harmony between the Union and State laws. This principle, therefore, is indispensable for the successful functioning of any federal or quasi-federal Constitution..."

6.2. The Recommendations

6.2.01. The first Commission in all made 247 recommendations on different areas of Centre-State Relations which were given due and detailed consideration by the Government. Of these 247, 179 recommendations were accepted while some are still under examination. Some of the important recommendations which have been accepted and implemented pertain to the role of the Governor, the constitution of Inter-Governmental Council and strengthening of the Local-self Governing Bodies. On the Role of Governor, the Commission made a number of important recommendations on selection, appointment, tenure and discretionary powers of the Governors, guiding principles for the Governors in choosing Chief Ministers and functioning of the State Legislatures. The Commission recommended that in order to ensure effective consultation with the State Chief Minister in selection of a person to be appointed as Governor, the procedure of consultation should be prescribed in the Constitution itself by suitably amending Article 155. While the Union Government has not agreed to amend the Constitution in this regard, it is of the view that the practice of prior consultation with State Chief Ministers should be continued as a matter of convention and not as a matter of obligation. The Commission also recommended a number of criteria for making appointment of Governors, majority of which have been accepted by the Union Government. The Union Government has also accepted the Commission's guiding principles relating to the choosing of the Chief Ministers, and the functioning of the State Legislature. Dwelling on Article 263 of the Constitution, which envisages establishment of an institutional mechanism to facilitate coordination of policies and their implementation by the Union and the State Governments, the Commission

recommended that a permanent Inter-State Council called the Inter-Governmental Council (IGC) should be set up under Article 263. In pursuance of this recommendation, the Union Government had set up the Inter-State Council, under the provisions of Article 263 of the Constitution, in the year 1990. The Commission also recommended that the local self-governing bodies need to be significantly strengthened both financially and functionally, and recommended enactment of a Parliamentary law uniformly applicable throughout India containing provisions analogous to Articles 172 and 174 of the Constitution. The Union Government accepted the recommendations and more specific provisions have been made in the Constitution through the 73rd and 74th Constitutional Amendment Acts, which confer Constitutional status on Panchayati Raj Institutions as well as Municipalities and District Planning Committees. Provisions have also been made for setting up of Finance Commissions to review the financial position of these bodies and to make recommendation to the State governments for devolution of resources. Some of the other major recommendations made by the Sarkaria Commission which have been accepted by the Government are: (i) that prior consultation with the States, individually and collectively, in respect of overlapping and concurrent jurisdictions, should be adhered to, except in rare and exceptional cases of extreme urgency or emergency, though it may not be necessary to make such consultation a matter of constitutional obligation; (ii) that ordinarily, the Union should occupy only that much field of a concurrent subject on which uniformity of policy and action is essential in the larger interest of the Nation, leaving the rest and the details for action by the States within the broader framework of the policy laid down in the Union law; (iii) that Article 356 should be used very sparingly, in extreme cases and only as a matter of last resort; and (iv) that the net proceeds of corporation tax may be made permissibly shareable with the States by an appropriate amendment of the Constitution.

6.2.02. It is generally well regarded that the first Commission on Centre-State Relations, which subsequently came to be known as Sarkaria Commission after its Chairman's name, had given an excellent report on this subject which made a signal contribution for smoothening the relations between the Union and the States.

CHAPTER 7

THE PRESENT COMMISSION ON CENTRE-STATE RELATIONS

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THE PRESENT COMMISSION ON CENTRE-STATE RELATIONS

7.1. The Need

7.1.01. The period, after the presentation, in 1988, of the report by the first Commission on Centre-State Relations, witnessed many a path-breaking and major developments, which had far reaching influence and impact on the federal functioning. Notable among these were: (i) the economic globalization and liberalization; (ii) the onset of coalition Government(s) at the Centre, in addition to the States where they had already been in existence; (iii) the Constitutional 73rd and 74th Amendments bringing in the third-tier of the government; and last but not the least (iv) some serious and multi-faceted events affecting the Internal Security. The issue of internal security emanating mainly from the intensity and the spread of terrorism sounded wake-up calls for strengthening and maximizing the National and internal security apparatus both at the Centre and State levels and the underlying need for greater cooperation in this regard. In addition, some other issues such as inter-state river water disputes, resource sharing, problems pertaining to execution of mega projects etc., continued to come to the forefront from time to time. Some of the political parties such as the DMK and the CPI (M) who were partners in, or supporters of, the ruling alliance at the Centre in the UPA Government formed in May 2004 and some of the State Governments in the meanwhile also continued to suggest that there was a need to have a fresh look on the overall scheme of the Centre-State relations. The sum total effect of the above and other related developments created the need for a comprehensive understanding of the federal functioning once again in a dispassionate manner in the light of the new and fast changing political and economic climate. This understanding led to the decision of the Government for the constitution of the present Commission on Centre-State Relations, under the Chairmanship of Shri Justice Madan Mohan Punchhi, Former Chief Justice of India.

7.1.02. Whereas the first Commission on Centre-State Relations was demand-driven in the sense that that the main opposition parties and the non-Congress Governments in

the States at that time were constantly and vociferously demanding review of the overall Constitutional scheme of Centre-State relations, this Commission notwithstanding the developments covered in the foregoing paragraph was, by and large, a voluntary and suo-motu step taken by the UPA-1 Government with a view to achieve further smoothening of the Centre-State relations. As mentioned earlier in this Volume, the United Progressive Alligance (UPA), formed after the 14th Lok Sabha Elections, with the Congress President, Smt. Sonia Gandhi, as its Chairperson, had formed the Government in May 2004. The mandate given to present Commission, however, was much wider than that of the first Commission as explained in the earlier part of this Volume. The Commission had the benefit of freedom for evaluating and assessing the inter-governmental mechanisms in an open, transparent, passion-free and constraint-free atmosphere. This follows the fact that in the first place, it was unfettered by crises of any compulsion and in the second, it had the benefit of what can be called the ‘accommodative federalism’ which had started to take place from the nineties onwards. In addition, the Commission had the benefit of cross-national learning on the varying patterns of inter-governmental relations and their formalisation out of the experience of the functioning democracies around the world.

7.1.03. The present Commission also had the advantage of reference to the Report of the ‘National Commission to Review the Working of the Constitution’ chaired by Justice M. N. Venkatachaliah, which had been submitted to the Government in March 2002. The Venkatachaliah Commission was mandated to examine *‘as to how best the Constitution can respond to the changing needs of efficient, smooth and effective system of governance and socio-economic development of modern India within the framework of parliamentary democracy and to recommend changes, if any, that are required in the provisions of the Constitution without interfering with its basic structure or features’*. The exercise by the Venkatachaliah Commission was carried out in an academic atmosphere, involving legal luminaries, parliamentarians and practitioners of justice and administration and dealt with the mandate through examination and recommendations in ten identified subject-related segments in an excellent manner. The subject of Union-State relations, which arguably lends itself as one of the primary testing grounds for the working of the Constitution, was considered as one of the ten subject-groups. Even in the other groups, the issues pertaining to Centre-State relations did find a mention either directly or indirectly. However, the report of the Venkatachaliah Commission related mainly to the areas relevant to the functioning of the Constitution. On executive relations *vis-a-vis* the Constitution, the report, primarily restricted itself to the selection and role of Governor, the working of the Constitutional machinery in a State and the invocation of the Article 356 by the federal Government. In these areas,

the Venkatachaliah Commission, by and large, endorsed the recommendations of the Sarkaria Commission.

7.2. The Issues before the Commission

7.2.01. The period of the nineties was of an epoch-making consequence not only to the federal cultures but also to the political and economic ethos of practicing and transparent democracies around the world and to India in particular as she had started to experience, at that point of time, the gravest economic crisis in its four decades of independent existence. The country as such started taking initiatives for a serious economic reform process to convert the reversals to recovery. Though initiated during the time of Shri Rajiv Gandhi, the P. V. Narasimha Rao Government, when the current Prime Minister, Dr. Manmohan Singh, was the Union Finance Minister, undertook major economic reforms and started the process of globalization and liberalization of economy which became the hallmark of the decade of the nineties. This process was continued by the Atal Behari Vajpayee Government also in line with the international trends in both the developing and the developed economies. In the changed economic atmosphere, the political atmosphere also gradually underwent change and political configurations within the country and among countries around the world brought economic issues to the forefront. In fact, the economic crisis of 1990-91 prompted acceleration of the liberalization process and the same became a convincing tool for enlisting the support of the entrepreneurship and management skills of the private sector and its mobilization in a greater measure in almost all activities. Congenial atmosphere was sought to be created for the better utilization of the private sector cooperation through measures such as the removal of controls in many areas facilitating Foreign Direct Investment (FDI) and bringing in operation of market principles. The economic recovery towards the end of the nineties had a significant impact on federal relations. This period then stood testimony for two basic changes in the conduct of federal relations. In the first place the States began to accept, *prima-facie* and in principle, the concept of 'Strong Centre with Strong States'. The States, barring opposition by some political parties, started supporting the Centre's initiatives for gradual disengagement in the public sector involvement and resource mobilization programmes for funding the Annual and Five Year Plans. Support was also elicited for the encouragement and involvement of the private sector in a major partnership manner in the implementation of plan schemes including infrastructure projects. In that climate, the States also felt unshackled in their signalling and pro-active approach for eliciting foreign direct and other investment alternatives. From the Centre's end, State units were facilitated to directly negotiate for FDI alternatives in the development projects under overall guidelines.

Similarly, more space in economic policy making was sought to be provided to the States. This was also a consequence of the need for meeting the obligations of the country's commitment to international bodies like World Trade Organization (WTO) , as a result of its membership in these bodies, which could be successfully met through the active and willing cooperation of States in terms of improvement in economic governance. The two-way shift in the approach gradually led to the belief in the States that 'federal government was strong but approaches and opportunities were available and would be further underway to strengthen the States' through various federal mechanisms for transfer and sharing of funds and projects. In addition, the Finance Commission's search for new alternatives in the devolution models, set in motion from the time of the Tenth Finance Commission award onwards, gave further confidence to States in their economic outlook. It can be safely stated that, by and large, the politics of federalism on economic front started gradually moving away from the conventional confrontationist path of the late seventies and eighties to the path of co-operative reforms through developmental politics.

7.2.02. The second most important event of the nineties having a bearing on shifts in federal politics in the country was the advent of coalition government(s) at the Centre and involvement of regional and smaller parties in the governance at the National level. The political ethos of coalition governments possessed the in-built element of 'accommodation'. The spirit of co-operation and the direct involvement of regional parties in federal administration gradually shifted in a good measure their mindset away from confrontation with the Centre and to reach to a sort of conciliation, at the National level. On the other hand, the weakening of the National parties at the regional and sub-regional level in electoral politics compelled them also for conciliation and coordination with their regional counterparts and to accept sharing of power with them at the Centre. It can be said that the weakening of the National parties and the sagging nature of their influence in achieving the electoral numbers, in State legislatures and in the Parliament, were also caused by the rising importance of local issues in developmental politics and the belief and confidence of the electorate in regional parties to address the same effectively. In the above context, it needed no reiteration that the coalition system of governance at the Centre with direct representation of regional parties in the decision making process, inspite of giving rise to some issues pertaining to good and effective governance, led to somewhat easing of tensions between the Centre and the States. There was also the recognition of the obvious by the regional parties, from the mid-nineties onwards that they, even as a group, cannot become a substitute to the National entities but could, at the same time, carve out political space of their own at the centre, through electoral gains in their regions. There was realization from the side of the National parties, that the time had come when

the federal government had to be more receptive to accommodate regional aspirations. It was this realization at both ends that provided the much required stability to coalition politics at the Centre. Equally, it can be safely reasoned that coalition governments in their own way stabilized the federal spirit in the polity. This phenomenon was aptly articulated by the former Prime Minister, Atal Behari Vajpayee, in his address at the Columbia University, New York, USA, on September 24, 2003, in the following words:

“It is also my conviction that the new experience of successful coalition governments in India has been ideal for democratic governance, balancing divergent views and accommodating regional and sectoral interests more effectively. India is a rare multi-cultural, multi-religious, multi-ethnic and multi-lingual democracy in the world.”

7.2.03. The third and other eventful consequence of the political churning in federalism and its reform process was brought in by the 73rd and 74th Amendments in the Constitution in 1993 which provided the third-tier of administration with a view to achieve the objective of taking governance closer to the people a political reality. Right at the time of Indian Independence, formation of ‘village republics’ in the form of self-government had found advocacy in the Constituent Assembly. Gandhiji’s vision was that each village, as a self-sufficient republic, self sufficient for its own needs and yet inter-dependent, would form the nucleus of a superstructure of concentric circle of governance with a bottom-up approach. Panchayati Raj is a system of local self government wherein the people take upon themselves the responsibility for development. It is also a system of institutional arrangement for achieving rural development through people’s initiative and participation. Panchayati Raj involves a three-tier structure of democratic institutions at district, block and village levels namely, Zila Parishad, Panchayat Samiti and Gram Panchayats respectively. While working for local level development, these institutions are considered as training ground for democracy and give political education to the masses. These institutions were based on the philosophy of decentralization and ‘gram swaraj’. Rural development plans and programmes are implemented at this level so that fruits of development can accrue to the community directly. The Government of India had set up a committee in June 1986, headed by L.M. Singhvi, an eminent jurist, to prepare a concept paper on the revitalisation of the Panchayati Raj Institutions (PRIs). The Committee recommended that the Panchayati Raj should be constitutionally recognised, protected and preserved by the inclusion of a new Chapter in the Constitution. It also suggested a Constitutional provision to ensure regular, free and fair elections for Panchayati Raj Institutions. Meanwhile, the first Commission on Centre-State Relations had also submitted

its report in early 1988 strongly pitching for and recommending the strengthening of local-self governing bodies through Constitutional provisions. Accepting these recommendations, the Central Government, headed by late Shri Rajiv Gandhi, brought in the Constitution (64th Amendment) Bill. This was a comprehensive Bill covering all vital aspects of Panchayati Raj Institutions. While introducing the Bill in the Lok Sabha on May 15, 1989, Rajiv Gandhi had said:

“To the People of India, let us ensure maximum democracy and maximum devolution.....Let us give power to the people”

The Bill was passed by the Lok Sabha on August 16, 1989. However, unfortunately, this Bill could not be enacted as it was not approved by the Rajya Sabha. In the year 1990, the issues relating to strengthening of Panchayati Raj Institutions were considered afresh and based on detailed discussions in the Government, it was decided that a Constitution Amendment Bill may be drawn up afresh. The matter was brought up before the Conference of Chief Ministers held in June 1990, presided over by the then Prime Minister, Shri V.P. Singh. The Conference endorsed the proposals for the introduction of Constitutional Amendment Bill and also the model guidelines with the modification that the number of tiers in the Panchayati Raj structure may be left to be decided by the State Governments and the arrangement for conduct of elections for PRIs may also be left to be made by the State themselves. The Constitutional Amendment Bill and model guidelines were approved by the Cabinet in July 1990 and it was decided that there should be a common Constitution Amendment Bill both for PRIs and Urban Local Bodies (ULBs). Further modifications were made in the Bill on the basis of the discussions with the leaders of various political parties. The Constitutional 73rd (Amendment) Act, 1993, relating to Panchayats containing Articles 243 to 243-O and the Constitution 74th (Amendment) Act, 1993, relating to Municipalities containing Articles 243P to 243ZG imparted some basic features of certainty, continuity and strength to Panchayati Raj Institutions all over the country. However, it is ironical that the pace of devolving powers to PRIs/ULBs by most of the States in spite of the Constitutional amendments has been rather slow. On the one hand, the States have been asking for greater federalism and on the other when it comes to taking the same federal spirit down the line, they are not ready to part with their powers. In nutshell, it will be safe to conclude that the objectives enshrined in the Constitution in this regard have not been fully achieved although nearly sixteen years have elapsed since the amendments took place.

7.2.04. For most of the first three decades after independence the security perceptions

in the country largely focused on external adversaries. The internal security threats were, by all counts, limited and confined to select pockets such as Jammu and Kashmir and North-Eastern region. The peasant uprising that started in Naxalbari in West Bengal in the year 1967 grew as 'Naxal Movement' in subsequent years and spread to the other parts of the country also. It was only after the mid-seventies starting with the Punjabi Suba movement by Akalis with its secessionist trends that there has been a perceptible change in the overall internal security scenario. India since this period has been subject to religious extremism and ethnic communalism, in addition to the continuing problem of naxalism in different parts of the country. From the mid-eighties onwards, the country experienced the expanding menace of terrorism and internal extremism with its progressively increasing links with the agencies in the country's neighbourhood whose interests were inimical to our National security. Similar links with other international groups having identical interests have also been reported from time to time. The intricacies of internal security management and of coordinated responses expected of the Union and the States have attained serious proportions lately. The point at focus is that the expanded canvass of internal security management to meet a variety of threat perceptions and risks has a major influence on federal cooperation. In dealing with the internal security and in terms of the protection of people, groups and assets from hostile environs, it will be the well coordinated skills of the Centre and States in the pooling of resources, technological and human, that would eventually stand to test. The combined spirit of the various constitutional provisions, as they relate to Internal Security Management, had been to empower the "state" (Union and States taken together) to be proactive and pre-empt the anti-State efforts by hostile groups and contain and control the post-event damage.

7.2.05. While the subjects discussed in the foregoing Paragraphs were the major issues confronting the need for further smoothening of the Centre-State relations, some other issues such as the inter-state river water disputes, sharing of resources between the Centre and the States, the scheme of tax assignment, problems pertaining to the location, funding and execution of mega projects, ecosystems management, climate change and natural disasters, etc., also engaged the attention of the Central and the State Governments underlining the need for finding solutions on a cooperative basis.

7.2.06. Going back, it is to be noted that the churning and thoughts on different forms of federations culminated into the first legal document in the form of Government of India Act, 1935, which proposed to unite the provinces of British India and the Indian States, into a federation. Throughout this period the experience and the models of the

working federations were considered on board. These were: (i) the earliest federal Constitution of 1787 of the United States of America; (ii) the Constitution of Canada of 1867; (iii) the Constitution of Switzerland of 1874; and (iv) the Constitution of Australia of 1900. There were other federal Constitutions of countries such as West Germany, Argentina, Brazil, Mexico, etc., which were also looked at. It is generally stated that the Government of India Act, 1935, which itself patterned on the Canadian model, had a strong influence upon the Constituent Assembly while it deliberated to frame the Indian Constitution. Our scheme of distribution of powers differs from that of other federal constitutions. In America and Australia, there is only one list, the Federal List, and all matters not enumerated in the Federal List are State subjects, while in Canada, there are two lists and the residuary powers vest in the Centre. We have, on the other hand, adopted a three-fold distribution of legislative powers based on the model of the Government of India Act, 1935. These Lists have been drawn up with meticulous care to avoid overlapping and to make them exhaustive. They also make a clear distinction between general laws and laws of taxation. This explains the architecture of the Indian federalism and its distinct identity from other federations. Be that as it may, modern political scientists do endeavour for comparisons for cross-national learning which, according to them, is possible in the midst of existence of identical and differing characteristics. It is contended that the model of the Constitution is generally influenced by: (i) the period of making the Constitution; (ii) the process by which the federation is established; and (iii) the sets of motives behind the process of making the Constitution. Thus, the eighteenth and nineteenth century period Constitutions of United States and Canada distributed powers in general terms. The Australian Constitution, framed by the onset of twentieth century, was more detailed. The newer Constitutions of the latter half of the twentieth century went into minute details. In this context, the Indian Constitution model having three lists of powers, i.e. Union, State and Concurrent, in the Seventh Schedule, containing 97, 66 and 47 entries respectively, is often quoted, alongwith the detailed distribution in the Swiss federal Constitution of 1999. In the case of Military or Authoritarian regimes, subsequently forming federations, such as Brazil and Mexico, the distribution of powers was given the form defining federal exclusive and concurrent powers with the residual powers being assigned to the States.

7.2.07. To conclude, the 'Union of States' model of Indian federalism, following the events of the eighties and early nineties, had started showing signs of both resilience and flexibility. Although the Central Government continues to be strong and continues to

maintain its pre-eminence, attempts are in progress to strengthen the States through various federal mechanisms. It was visualized that the system of coalition-governance at the Central level by giving direct representation to powerful regional parties and ensuring their involvement in the decision making on National issues was a sound step to easing of tensions between the federal Government and the States. Through the process of economic reforms, the federal Government started the dispensation of National power and resources to the regions. In order to meet the imperatives of good governance, fiscal discipline on the part of the Union and the States is also increasingly underlined. Notwithstanding this, however, there remain certain areas as have been discussed in the foregoing Paragraphs which need better and further understanding between the Union and the States. An important area of focus for the Union and the States, as of now, has to be as to how to empower and strengthen the third-tier of governance so as to reap the fruits of self rule at and from the grass roots level. Equally, effective steps are to be taken to realize the constitutional provision of 'autonomous regional/district councils' in its full potential as one of the federal modes of sub-state governance. Once this objective is achieved, the obvious question would be whether the local governments could be considered for inclusion in the broad structure of inter-governmental relations or the focus would be confined to their relationship with the States and the States' relationship with the Union. This proposition would call for a detailed consultation process when the time is ripe.

7.2.08. The Commission, accordingly, set itself to study the subjects listed in Paragraphs above and all other related issues as per the approach and methodology indicated earlier in this Volume keeping in mind the Terms of Reference given to it, with a view to reach appropriate conclusions and make recommendations that may further smoothen the relations between the Centre and the States and make them even healthier so that better governance is available to the people of the country.

CHAPTER 8

THE WAY FORWARD

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THE WAY FORWARD

“National Unity is a historical process. In India, the concept of a nation-state transcends... religious, regional and other affiliations. It is the product of our freedom movement in which all communities, all religions and all people have participated. The consolidation of this national unity in the post independence era is a major achievement...”

[Smt. Indira Gandhi’s Inaugural Address at the meeting of the National Integration Council on January 21, 1984]⁷⁰

8.1. Working of the Constitution

8.1.01. Throughout the proceedings of the Constituent Assembly, the idea persisted that the ‘Unity’ of the Nation which has been mentioned in the Preamble must be secured under the structural edifice of the Constitution and the ideals were accordingly framed. As rightly believed by the framers of the Constitution, the working of the Constitution, over the last six decades, has stood the test of time and has in most respects served the objective of India’s governance quite well, despite the fact that some of the ideals were doubted by a few members of the Constituent Assembly in the beginning. In the report of the National Commission to Review the working of the Constitution, headed by Justice M.N. Venkatachaliah, it has been stated that a member of the Constituent Assembly had made the following statement:

“The ideals on which the Draft Constitution is framed, have no manifest relation to the fundamental spirit of India. I can assure you that this Constitution will not prove suitable and will break down soon after being brought into operation”.

The Report further goes on to say that a learned author who surveyed its working spoke with feeling when he said:

“The Constitution has been accepted as the charter of Indian unity. Within its limits are held the negotiations over the working of the federal system..... The Constitution has established the accepted norms of ‘national’ behavior..... The Constitution’s greatest success, however, lies

⁷⁰ “Indra Gandhi – Selected Speeches and Writings (Vol. V : 1982-84)”

below the surface of government. It has provided a framework for social and political development, a rational, institutional basis for political behavior. It not only establishes the national ideals, more importantly it lays down the rational, institutional manner by which they are to be pursued...”

8.1.02. Looking back into the long journey of over 60 years of the working of the federal and regional systems, it can be said with satisfaction, that despite the heavy odds and roughsod, intermittent fissures and political infirmities, the democratic base in the country has fully stabilized over this period and the same measured, through any yardstick, has to be treated as a satisfactory achievement. The maturity and wisdom of the polity could translate its responsibility vested under Article 40 of the Constitution into the 73rd and 74th amendments leading to widening of the space of democratic ideals. The onset of the coalition governments, at the federal level in particular, expanded the political space of regional entities for participation in the federal functioning in addition to facilitating their involvement in the National economic and social policy formulations. This is a conducive and qualifying advancement in our federal ethos. At the functional level, the regularity in the election process and the smoothness and orderliness in the transition of power consequent upon the results of the elections into the hands of the peoples’ choices are rich manifestations of the democratic maturity of the polity. In addition, parliament and legislatures are being represented by wider sections of the society, helping to make federalism the corner-stone of the parliamentary democracy. Irrespective of the fact that the nomenclature and universal definition of the ‘federation’ is not explicitly *lettered* in the Constitution, the same is adequately *spirited* in terms of independence of the State legislatures in the enactment of laws and their enforcement relating to the subjects in their domain. In precise terms, the Centre as also the States enjoy plenary powers in legislative, administrative and financial fields in their respective spheres and they derive their powers and authority from the Constitution itself. In view of these strong and visible foundations, there has been unanimity among Jurists for the continued preservation of the ‘basic structure’ of the Constitution and to concentrate on the larger participation of people and complete democratic involvement which would not only be desirable but essential in the context of balancing the new and emerging complexities in India’s governance. The emerging issues have been discussed in a delineated canvass in the further Volumes of the Report and suitable recommendations have been made to facilitate smoother and healthier Centre-State relations. It would at this point may be appropriate

to quote Smt. Indira Gandhi's words included in the Foreword for the Sixth Five Year Plan (1980-1985):

‘Progress in a country of India’s size and diversity depends on the participation and full involvement of all sections of the people. This is possible only in democracy. But for democracy to have meaning in our circumstances, it must be supported by socialism which promises economic justice and secularism which gives social equality..... Democratic planning means the harnessing of the people’s power and their fullest participation. We sail on stormy seas. But the Indian people have weathered many storms. Their spirit is indomitable and it will prevail. Let us help them to bend their energies with unity and discipline in the great endeavour to reach towards a brighter future.’

8.2. The Summary

8.2.01. After examining at length the issues raised in the Terms of Reference and the related aspects in all their hues and shades, the Commission has come to the conclusion that ‘cooperative federalism’ will be the key for sustaining India’s unity, integrity and social and economic development in future. The principles of cooperative federalism thus may have to act as a practical guide for Indian polity and governance. As has been noted elsewhere in the Report, India today has reached that stage of development when ‘Statesmanship’ should lead ‘Politics’, where on one hand the National goals and objectives are fully respected by the political parties and the federal constituents and an equal amount of consciousness and support is shown in addressing the needs and aspirations of the States and the different communities by the Union. The good news, the Commission noted, was that positive signals in this regard have already started appearing. One of the important reasons for the emerging maturity in approach for solving the problems in addressing multifarious issues has been the new level of confidence of the people because of the impressive economic growth (though may not be entirely inclusive) witnessed by the Nation over the last two decades. The economic growth, coupled with the global recognition of India’s democratic values, its overall strength and its forward looking approach have, by and large, set the ball rolling in this direction. It does not, however, mean that difficulties are not being faced in the relationship between the Union and the States. After all, managing diversity successfully and to the satisfaction of all sections in such a large country can not be an easy task, even though the basic structures may have held firm and strong always. In this context, it may be relevant to quote the first Prime

Minister of India, Pandit Jawaharlal Nehru. Speaking of the Draft Constitution on November 8, 1948, Nehru had said⁷¹:

“The Constitution is after all some kind of a legal body given to the ways of Government and the life of the people. A Constitution if it is out of touch with the people’s life, aims and aspirations, becomes rather empty: if it falls behind those aims, it drags the people down. It should be something ahead to keep people’s eyes and minds made up to a certain high mark...Remember this that while we want this Constitution to be as solid and as permanent a structure as we can make it, there should be a certain flexibility. If you make anything rigid, and permanent, you stop a nation’s growth, the growth of a living, vital, organic people.”

The Commission, on examining the Terms of Reference and the related issues, realized that differences in the approaches, and many of them major, continued to exist in several spheres. The endeavour of this Commission has been to offer and recommend practical solutions either through Constitutional or other legislative and administrative means with a view to minimize such differences. The changes, including the mechanisms and institutions required for the implementation purposes, have been covered in the six subject Volumes of the Report, while the last Volume, i.e. Volume VIII, will contain the summary of the Report and all the recommendations at one place.

⁷¹ “Report of the National Commission to Review the Working of the Constitution (Venkatchaliah Commission)”

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18. Article on “*Republic of India*” by George Mathew, in the book titled “*Distribution of Powers and Responsibilities in Federal Countries*”, edited by Akhtar Majeed, Ronald L. Watts and Douglas M. Brown.
19. “*Indira Gandhi – Selected Speeches and Writings (Vol. V : 1982-84).*”

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Appendix I

**Extracts from the
National Common Minimum Programme
of the Government of India
(May 2004)**

Regional Development, Centre-State Relations

The UPA government is committed to redressing growing regional imbalances both among states as well as within states, through fiscal, administrative, investment and other means. It is a matter of concern that regional imbalances have been accentuated by not just historical neglect but also by distortions in Plan allocations and central government assistance. Even in the Tenth Five Year Plan, states like Bihar, Assam and UP have received per capita allocations that are much below the national average. The UPA government will consider the creation of a Backward States Grant Fund that will be used to create productive assets in these states. The Central Government will also take proactive measures to speed up the industrialization of the eastern and northeastern region.

A structured and transparent approach to alleviate the burden of debt on states will be adopted at the earliest, so as to enable them to increase social sector investments. Interest rates on loans to states will be reduced and the share of states in the single, divisible pool of taxes enhanced.

All non-statutory resource transfers from the Central Government will be weighted in favour of poor and backward states but with performance parameters as well. A special programme for social and physical infrastructure development in the poorest and most backward districts of the country will be taken up on a priority basis.

The UPA government will take special measures to ensure that regions of India like in the east where the credit: deposit ratio is lagging, is improved substantially.

The UPA government will review the issue of payment of royalties to states in the area of minerals.

From time to time, previous governments have announced special economic packages as,

for example, for the northeast, for Bihar and for J&K. For Bihar, Shri Rajiv Gandhi had announced a special development package in 1989 and subsequently another package was announced at the time of its division in 1999 to make up for the loss of revenue. These packages will be implemented expeditiously.

The UPA government will make the National Development Council (NDC) a more effective instrument of cooperative federalism. The NDC will meet at least twice a year and in different states. Immediately, the NDC will take up the issue of the financial health of states and arrive at a national consensus on specific steps to be taken in this regard. The Inter-State Council will also be activated. All centrally-sponsored schemes except in national priority areas like family planning will be transferred to States.

The UPA government will consider the demand for the formation of a Telangana state at an appropriate time after due consultations and consensus.

The Sarkaria Commission had last looked at the issue of Centre-State relations over two decades ago. The UPA government will set up a new Commission for this purpose keeping in view the sea-changes that have taken place in the polity and economy of India since then.

Long-pending schemes in specific states that have national significance, like the Sethu Samuthiram project, flood control and drainage in North Bihar (that requires cooperation with Nepal as well) and Prevention of Erosion in Padma-Ganga and Bhagirithi flood control in West Bengal will be completed expeditiously. A Flood-prone Area Development Programme will be started and the central government will fully support flood control works in inter-State and international rivers. All existing schemes for drought-prone area development will be reviewed and a single major national programme launched.

MINISTRY OF HOME AFFAIRS

NOTIFICATION

New Delhi, the 30th September, 2005

No. IV/12013/9/2004-CSR.—Whereas the Common Minimum Programme (CMP) of the Government of India has made a solemn pledge to the people of India to provide a government that is corruptionfree, transparent and accountable at all times and to provide an administration that is responsible and responsive at all times;

2. And whereas one of the commitments of the Government in the CMP under the heading 'Regional Development, Centre-State Relations' is to set up a new Commission to look into the issues of Centre-State relations keeping in view the sea-changes that have taken place in the polity and economy of India since the Sarkaria Commission had last looked at the issue of Centre-State Relations over two decades ago;

3. Now, therefore, in fulfilment of that pledge, the Union Government hereby resolves to set up a Commission, which will be known as the Commission on Centre-State Relations.

4. The terms of reference of the Commission will be as follows :

- (i) The Commission will examine and review the working of the existing arrangements between the Union and States as per the Constitution of India, the healthy precedents being followed, various pronouncements of the Courts in regard to powers, functions and responsibilities in all spheres including legislative relations, administrative relations, role of Governors, emergency provisions, financial relations, economic and social planning, Panchayati Raj institutions, sharing of resources; including inter-state river water and recommend such changes or other measures as may be appropriate keeping in view the practical difficulties.
- (ii) In examining and reviewing the working of the existing arrangements between the Union and States and making recommendations as to the changes and measures needed, the Commission will keep in view the social and economic developments that have taken place over the years particularly over the last two decades and have due regard to the scheme and framework of the Constitution. Such recommendations would also need to address the growing challenges of ensuring good governance for promoting the welfare of the people whilst strengthening the unity and integrity of the country, and of availing emerging opportunities for sustained and rapid economic growth for alleviating poverty and illiteracy in the early decades of the new millennium.
- (iii) While examining and making its recommendations on the above, the Commission shall have particular regard, but not limit its mandate to the following :—
 - (a) The role, responsibility and jurisdiction of the Center *vis-a-vis* States during major and prolonged outbreaks of communal violence, caste violence or any other social conflict leading to prolonged and escalated violence.
 - (b) The role, responsibility and jurisdiction of the Center *vis-a-vis* States in the planning and implementation of the Mega Projects like the inter-linking of rivers, that would normally take 15—20 years for completion and hinge vitally on the support of the States.
 - (c) The role, responsibility and jurisdiction of the Center *vis-a-vis* States in promoting effective devolution of powers and autonomy to Panchayati Raj Institutions and Local Bodies including the Autonomous Bodies under the 6th Schedule of the Constitution within a specified period of time.
 - (d) The role, responsibility and jurisdiction of the Center *vis-a-vis* States in promoting the concept and practice of independent planning and budgeting at the District level.
 - (e) The role, responsibility and jurisdiction of the Center *vis-a-vis* States in linking Central assistance of various kinds with the performance of the States.
 - (f) The role, responsibility and jurisdiction of the Centre in adopting approaches and policies based on positive discrimination in favour of backward States.

Report of the Commission on Centre-State Relations

4

THE GAZETTE OF INDIA : EXTRAORDINARY

[PART I—SEC. 1]

- (g) The impact of the recommendations made by the 8th to 12th Finance Commissions on the fiscal relations between the Centre and the States, especially the greater dependence of the States on devolution of funds from the Centre.
- (h) The need and relevance of separate taxes on the production and on the sales of goods and services subsequent to the introduction of Value Added Tax regime.
- (i) The need for freeing inter-State trade in order to establish a unified and integrated domestic market as also in the context of the reluctance of State Governments to adopt the relevant Sarkaria Commission's recommendation in Chapter XVIII of its report.
- (j) The need for setting up a Central Law Enforcement Agency empowered to take up *suo motu* investigation of crimes having inter-State and/or international ramifications with serious implications on national security.
- (k) The feasibility of a supporting legislation under Article 355 for the purpose of *suo motu* development of Central forces in the States if and when the situation so demands.

5. The Commission shall consist of a full time Chairperson and four full-time Members. The names of the Chairperson and the Members would be notified separately.

6. Shri Dhirendra Singh, IAS (KN: 68) (Retired) is hereby appointed as Secretary of the Commission on Centre-State Relations for a period of two (2) years or till the tenure of the Commission.

7. The Commission will devise its own procedure for the discharge of its functions, and the Commission may, if it deems it necessary so to do, have investigation or examination of such matters as it may deem fit to be made in such manner and by such persons as it may consider appropriate. The Ministries and Departments of the Government of India shall furnish such information and documents and provide assistance as may be required by the Commission from time to time. The Government of India trusts that the State Governments and the Union Territory Administrations and others concerned will extend their fullest cooperation and assistance to the Commission.

8. The Headquarters of the Commission will be at New Delhi.

9. The Commission will complete its work and submit its report with recommendations within two years.

A. K. SRIVASTAVA, Jt. Secy.

रजिस्ट्री सं० डी० एल०-33004/99

REGD. NO. D. L.-33004/99



भारत का राजपत्र

The Gazette of India

असाधारण
EXTRAORDINARY

भाग I—खण्ड I
PART I—Section I

प्राधिकार से प्रकाशित
PUBLISHED BY AUTHORITY

सं. 113]
No. 113]

नई दिल्ली, शुक्रवार, अप्रैल 27, 2007/वैशाख 7, 1929
NEW DELHI, FRIDAY, APRIL 27, 2007/VAISAKHA 7, 1929

गृह मंत्रालय

अधिसूचना

नई दिल्ली, 27 अप्रैल, 2007

सं. IV/12013/9/2004-सीएसआर.—गृह मंत्रालय की दिनांक 30 सितम्बर, 2005 की अधिसूचना सं IV/12013/9/2004-सीएसआर के क्रम में संघ सरकार एतद्वारा केन्द्र-राज्य संबंध आयोग का निम्न प्रकार गठन करती है :-

- | | |
|---|-----------|
| (i) न्यायमूर्ति श्री मदन मोहन पुंछी (सेवानिवृत्त)
भारत के पूर्व मुख्य न्यायाधीश | — अध्यक्ष |
| (ii) श्री धीरेन्द्र सिंह,
आई ए एस (कर्नाटक : 68) (सेवानिवृत्त)
भारत सरकार के पूर्व सचिव | — सदस्य |
| (iii) श्री विनोद कुमार दुग्गल,
आई ए एस (एजीएमयू : 68) (सेवानिवृत्त)
भारत सरकार के पूर्व सचिव | — सदस्य |
| (iv) डॉ. एन. आर. माधव मेनन,
पूर्व निदेशक, राष्ट्रीय न्यायिक अकादमी, भोपाल
एवं नेशनल लॉ स्कूल ऑफ इण्डिया, बंगलौर | — सदस्य |

2. आयोग के अध्यक्ष और सदस्यों का कार्यकाल उनके द्वारा अपना कार्यभार ग्रहण करने की तारीख से दो वर्ष की अवधि तक अथवा आयोग के कार्यकाल तक होगा।

3. श्री धीरेन्द्र सिंह, आई ए एस (कर्नाटक : 68) (सेवानिवृत्त) तत्काल प्रभाव से केन्द्र-राज्य संबंध आयोग के सचिव नहीं रहेंगे।
के. स्कन्दन, संयुक्त सचिव

MINISTRY OF HOME AFFAIRS

NOTIFICATION

New Delhi, the 27th April, 2007

No. IV/12013/9/2004-CSR.— In continuation of the Ministry of Home Affairs Notification No. IV/12013/9/2004-CSR dated the 30th September, 2005, the Union Government hereby constitutes the Commission on Centre-State Relations as under :—

- | | |
|--|---------------|
| (i) Shri Justice Madan Mohan Punchhi (Retd.),
Former Chief Justice of India | — Chairperson |
| (ii) Shri Dharendra Singh,
IAS (KN: 68) (Retd.)
Former Secretary to the Government of India | — Member |
| (iii) Shri Vinod Kumar Duggal,
IAS (AGMU : 68) (Retd.)
Former Secretary to the Government of India | — Member |
| (iv) Dr. N. R. Madhava Menon,
Former Director, National Judicial Academy, Bhopal
and National Law School of India, Bangalore | — Member |

2. The tenure of the Chairperson and Members of the Commission would be for a period of two years from the date of assumption of charge or till the tenure of the Commission.

3. Shri Dharendra Singh, IAS (KN : 68) (Retd.) will cease to be the Secretary of the Commission on Centre-State Relations with immediate effect.

K. SKANDAN, Jt. Secy.

रजिस्ट्री सं० डी० एल०-33004/99

REGD. NO. D. L.-33004/99



भारत का राजपत्र The Gazette of India

असाधारण
EXTRAORDINARY

भाग I—खण्ड 1
PART I—Section 1

प्राधिकार से प्रकाशित
PUBLISHED BY AUTHORITY

सं. 174]
No. 174]

नई दिल्ली, मंगलवार, जुलाई 3, 2007/आषाढ़ 12, 1929
NEW DELHI, TUESDAY, JULY 3, 2007/ASADHA 12, 1929

गृह मंत्रालय
अधिसूचना

MINISTRY OF HOME AFFAIRS
NOTIFICATION

नई दिल्ली 3 जुलाई, 2007

New Delhi, the 3rd July, 2007

सं. IV/12013/9/2004-सीएसआर.—डॉ. अमरेश बागची प्रतिष्ठित प्रोफेसर, राष्ट्रीय सार्वजनिक वित्त एवं नीति संस्थान, नई दिल्ली को एतद्वारा, गृह मंत्रालय की दिनांक 30 सितम्बर, 2005 और 27 अप्रैल, 2007 की अधिसूचना सं. IV/12013/9/2004-सीएसआर के तहत गठित केन्द्र राज्य संबंध आयोग के सदस्य के रूप में नियुक्त किया जाता है।

No. IV/12013/9/2004-CSR.—Dr. Amaresh Bagchi, Emeritus Professor, National Institute of Public Finance and Policy, New Delhi is hereby appointed as a Member of the Commission on Centre-State Relations set up vide Ministry of Home Affairs Notification No. IV/12013/9/2004-CSR dated 30th September, 2005 and 27th April, 2007.

2. आयोग के सदस्य के रूप में डॉ. अमरेश बागची की नियुक्ति का कार्यकाल कार्यभार ग्रहण करने की तारीख से दो वर्षों की अवधि के लिए या आयोग के कार्यकाल तक के लिए होगा।

2. The tenure of appointment of Dr. Amaresh Bagchi as member of the Commission would be for a period of two years from the date of assumption of charge or till the tenure of the Commission.

के. स्कन्दन, संयुक्त सचिव

K. SKANDAN, Jt. Secy.

जिस्ट्री सं० डी० एल०-33004/99

REGD. NO. D. L.-33004/99


भारत का राजपत्र
The Gazette of India

असाधारण
 EXTRAORDINARY
 भाग I—खण्ड 1
 PART I—Section 1
 प्राधिकार से प्रकाशित
 PUBLISHED BY AUTHORITY

सं. 368] नई दिल्ली, शुक्रवार, अक्टूबर 17, 2008/आश्विन 25, 1930
 No. 368] NEW DELHI, FRIDAY, OCTOBER 17, 2008/ASVINA 25, 1930

गृह मंत्रालय

अधिसूचना

नई दिल्ली, 17 अक्टूबर, 2008

सं. IV/12013/9/2004-सीएसआर.—श्री विजय शंकर, आई पी एस (उत्तर प्रदेश : 69) (सेवानिवृत्त), पूर्व निदेशक, केन्द्रीय अन्वेषण ब्यूरो को एतद्वारा, गृह मंत्रालय की दिनांक 30 सितम्बर, 2005 और 27 अप्रैल, 2007 की अधिसूचना सं. IV/12013/9/2004-सी एस आर के तहत गठित केन्द्र-राज्य संबंध आयोग के सदस्य के रूप में नियुक्त किया जाता है।

2. आयोग के सदस्य के रूप में श्री विजय शंकर की नियुक्ति का कार्यकाल उनके द्वारा कार्यभार ग्रहण करने की तारीख से आयोग के शेष कार्यकाल अर्थात् 26 अप्रैल, 2009 तक के लिए होगा।

निर्मलजीत सिंह कलसी, संयुक्त सचिव

MINISTRY OF HOME AFFAIRS

NOTIFICATION

New Delhi, the 17th October, 2008.

No. IV/12013/9/2004-CSR.—Shri Vijay Shankar, IPS (UP : 69) (Retd.), former Director, Central Bureau of Investigation is hereby appointed as a Member of the Commission on Centre-State Relations set up *vide* Ministry of Home Affairs Notification No. IV/12013.9/2004-CSR dated 30th September, 2005 and 27th April, 2007.

2. The tenure of appointment of Shri Vijay Shankar as Member of the Commission would be for the remainder of the term of the Commission, i.e., 26th April, 2009, from the date of his assumption of charge.

NIRMALJEET SINGH KALSI, Jt. Secy.

4013 GI/2008

Printed by the Manager, Govt. of India Press, Ring Road, Mayapuri, New Delhi-110064

रजिस्ट्री सं० डी० एल०-33004/99

REGD. NO. D.L.-33004/99



भारत का राजपत्र The Gazette of India

असाधारण
EXTRAORDINARY
भाग I—खण्ड 1
PART I—Section 1
प्राधिकार से प्रकाशित
PUBLISHED BY AUTHORITY

सं. 408]

नई दिल्ली, सोमवार, नवम्बर 17, 2008/कार्तिक 26, 1930

No. 408]

NEW DELHI, MONDAY, NOVEMBER 17, 2008/KARTIKA 26, 1930

गृह मंत्रालय

MINISTRY OF HOME AFFAIRS

शुद्धिपत्र

CORRIGENDUM

नई दिल्ली, 17 नवम्बर, 2008

New Delhi, the 17th November, 2008

सं. IV/12013/9/2004-सीएसआर.—दिनांक 17 अक्टूबर, 2008 की समसंख्यक राजपत्र अधिसूचना में एतद्वारा निम्नलिखित शुद्धियाँ की जाती हैं :-

No. IV/12013/9/2004-CSR.—The following corrections are hereby incorporated in the Gazette Notification of even number dated the 17th October, 2008 :-

उपर्युक्त अधिसूचना के प्रथम और द्वितीय पैरा की प्रथम पंक्ति में आने वाले शब्द 'शंकर' के स्थान पर 'शंकर' शब्द प्रतिस्थापित किया जाता है।

The word 'Shankar' appearing in the first line of both the first and second paragraphs of the abovementioned Notification is replaced by the word 'Shanker'.

निर्मलजीत सिंह कलसी, संयुक्त सचिव

NIRMALJEET SINGH KALSI, Jt. Secy.

4546 GI/2008

Printed by the Manager, Govt. of India Press, Ring Road, Mayapuri, New Delhi-110064
and Published by the Controller of Publications, Delhi-110054.

Appendix VII

No.12/8/2007-Public.
Government of India/Bharat Sarkar
Ministry of Home Affairs/Grih Mantralaya

31 JUL 2007

North Block, New Delhi-110001.
Dated : 30th July, 2007.

Office Memorandum

Subject :- Assignment of the status to the Chairperson and Members of the Commission on Centre State Relations in the Table of Precedence.

The undersigned is directed to say that Shri Justice (Retd.) Madan Mohan PUNCHHI, who has been appointed as Chairperson of the Commission on Centre State Relations, with effect from 30.4.2007 has been conferred the status of Union Cabinet Minister. Accordingly, he will rank in Article 7 of the Table of Precedence.

2. The following members of the Commission who have taken over charge with effect from the date mentioned against each, have been conferred the status of Union Minister of State. Accordingly, they will rank in Article 10 of the Table of Precedence.

Sl. No.	Name	Date of assumption of charge
1.	Shri Dharendra Singh	28.4.2007.
2.	Shri Vinod Kumar Duggal	28.4.2007.
3.	Dr. N.R. Madhava Menon	15.5.2007.
4.	Dr. Amaresh Bagchi	4.7.2007.

3. The above position will be personal to Shri Justice (Retd.) Madan Mohan PUNCHHI, Shri Dharendra Singh, Shri Vinod Kumar Duggal, Dr. N.R. Madhava Menon and Dr. Amaresh Bagchi for the duration of the tenure of their office.

4. It is not proposed to issue any formal amendment to the Table of Precedence.

Arvind Mukherjee
(Arvind Mukherjee)
Under Secretary to the Govt. of India
Tel. No.2309 4422.

To

- All Ministries/Departments of the Government of India.
- All State Governments/Administration of Union Territories.
- President's Secretariat/Vice-President's Secretariat/Prime Minister's Office/Cabinet Secretariat/Planning Commission/Lok Sabha Secretariat/Rajya Sabha Secretariat.
- CS Division (MHA) with five copies for the Chairperson and Members concerned w.r.t. their file No.IV/12013/9/2004-CS(Part).

Arvind Mukherjee
(Arvind Mukherjee)
Under Secretary to the Govt. of India
Tel. No.2309 4422.

No.12/8/2007-Public
Government of India/Bharat Sarkar
Ministry of Home Affairs/Grih Mantralaya 17 DEC 2008

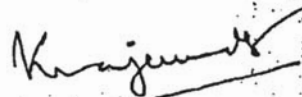
North Block, New Delhi- 110 001
Dated : 16th December, 2008.

Office Memorandum

Subject :- Assignment of the status of Minister of State to Shri Vijay Shanker, Member of the Commission on Centre State Relations
- reg.

The undersigned is directed to say that Shri Vijay Shanker, who has been appointed as Member of the Commission on Centre State Relations with effect from 20th October, 2008, has been conferred the status of Union Minister of State.

2. The above position will be personal to Shri Vijay Shanker for the duration of the tenure of his office.



(K.K. Majumdar)

Under Secretary to the Govt. of India
Tel.No: 2309 4422

To

1. All Ministries/Departments of the Government of India.
2. All State Governments/ Union Territory Administrations Union Territory.
3. President's Secretariat/Vice-President's Secretariat/ Prime Minister's Office/Cabinet Secretariat/Planning Commission/Lok Sabha Secretariat/Rajya Sabha Secretariat.
4. Shri J.K. Chattopadhyay, Under Secretary, Ministry of Home Affairs, C.S. Division, w.r.t. his Note No.IV/12013/9/2004-CSR (Part) dated 21.11.2008.

Appendix IX

COMMISSION ON CENTRE STATE RELATIONS
GOVERNMENT OF INDIA
PUBLIC NOTICE

1. By its Resolution of 27th April, 2007, the Government of India has constituted the Commission on Centre-State Relations. The Terms of Reference of the Commission had been set out in the Government of India Resolution of 30th September, 2005. Relevant extracts of the Terms of Reference (TOR) are given below. They can also be accessed at the Commission's website: <http://commcentrestate.gov.in>

2. The Commission is **chaired by Justice Madan Mohan Punchhi, former Chief Justice of India**. The other Members of the Commission are -Shri Dhirendra Singh (Former Secretary to the Government of India), Shri Vinod Kumar Duggal (Former Secretary to the Government of India), Prof. (Dr.) N.R. Madhava Menon (Former Director, National Judicial Academy, Bhopal and National Law School of India, Bangalore) and Dr. Amaresh Bagchi (Emeritus Professor, National Institute of Public Finance and Policy, New Delhi).

3. A comprehensive review of Centre-State relations was undertaken by the Sarkaria Commission in the mid-eighties. In the two decades that have gone by, both the polity and the economy have undergone profound changes, posing new challenges for government at all levels and calling for a fresh look at the relative roles and responsibilities of each level and their inter-relations. The present Commission has been entrusted with this task and asked to make recommendations that would help to address the emerging challenges.

4. Given the wide ambit of its Terms of Reference and their significance, the Commission invites views and suggestions from members of the public (individuals, organizations institutions and associations) on the various issues involved. **All communications may be addressed to the Secretary to the Commission on Centre State Relations, Vigyan Bhawan Annexe, New Delhi-110011.**

BY ORDER OF THE COMMISSION
Amitabha Pande
Secretary

New Delhi

Date: 12th October 2007

**THE GAZETTE OF INDIA
EXTRAORDINARY
PART I- SECTION 1
PUBLISHED BY AUTHORITY
NEW DELHI, FRIDAY, 30th SEPTEMBER, 2005/ASVINA 8, 1927.
MINISTRY OF HOME AFFAIRS
NOTIFICATION No. IV/12013/9/2004-CSR
(ABRIDGED)**

The terms of reference of the Commission will be as follows:

- (i) The Commission will examine and review the working of the existing arrangements between the Union and States as per the Constitution of India, the healthy precedents being followed, various pronouncements of the Courts in regard to powers, functions and responsibilities in all spheres including legislative relations, administrative relations, role of governors, emergency provisions, financial relations, economic and social planning, Panchayati Raj institutions, sharing of resources; including inter-state river water and recommend such changes or other measures as may be appropriate keeping in view the practical difficulties.
- (ii) In examining and reviewing the working of the existing arrangements between the Union and States and making recommendations as to the changes and measures needed, the Commission will keep in view the social and economic developments that have taken place over the years particularly over the last two decades and have due regard to the scheme and framework of the Constitution. Such recommendations would also need to address the growing challenges of ensuring good governance for promoting the welfare of the people whilst strengthening the unity and integrity of the country, and of availing emerging opportunities for sustained and rapid economic growth for alleviating poverty and illiteracy in the early decades of the new millennium.
- (iii) While examining and making its recommendations on the above, the Commission shall have particular regard, but not limit its mandate to the following:-
 - (a) The role, responsibility and jurisdiction of the Centre vis-à-vis States during major and prolonged outbreaks of communal violence, caste violence or any other social conflict leading to prolonged and escalated violence.

- (b) The role, responsibility and jurisdiction of the Centre vis-à-vis States in the planning and implementation of the mega projects like the inter-linking of rivers, that would normally take 15-20 years for completion and hinge vitally on the support of the States.
- (c) The role, responsibility and jurisdiction of the Centre vis-à-vis States in promoting effective devolution of powers and autonomy to Panchayati Raj Institutions and Local Bodies including the Autonomous Bodies under the 6th Schedule of the Constitution within a specified period of time.
- (d) The role, responsibility and jurisdiction of the Center vis-à-vis States in promoting the concept and practice of independent planning and budgeting at the District level.
- (e) The role, responsibility and jurisdiction of the Centre vis-à-vis States in linking Central assistance of various kinds with the performance of the States.
- (f) The role, responsibility and jurisdiction of the Centre in adopting approaches and policies based on positive discrimination in favour of backward States.
- (g) The impact of the recommendations made by the 8th to 12th Finance Commissions on the fiscal relations between the Centre and the States, especially the greater dependence of the States on devolution of funds from the Centre.
- (h) The need and relevance of separate taxes on the production and on the sales of goods and services subsequent to the introduction of Value Added Tax regime.
- (i) The need for freeing inter-State trade in order to establish a unified and integrated domestic market as also in the context of the reluctance of State Governments to adopt the relevant Sarkaria Commission's recommendation in chapter XVIII of its report.
- (j) The need for setting up a Central Law Enforcement Agency empowered to take up *suo moto* investigation of crimes having inter-State and/or international ramifications with serious implications on national security.

- (k) The feasibility of a supporting legislation under Article 355 for the purpose of *suo moto* deployment of Central forces in the States if and when the situation so demands.



Appendix X

COMMISSION
ON
CENTRE - STATE RELATIONS
GOVERNMENT OF INDIA

QUESTIONNAIRE

COMMISSION ON CENTRE - STATE RELATIONS

QUESTIONNAIRE

Vigyan Bhawan Annexe

Maulana Azad Road, New Delhi-110011.

Website: www.commcentrestate.gov.in

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**COMMISSION
ON
CENTRE-STATE RELATIONS**

Chairperson

Shri Justice Madan Mohan Punchhi (Retd.)
Former Chief Justice of India

Members

Shri Dhirendra Singh
Former Secretary to the
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Shri Vinod Kumar Duggal
Former Secretary to the
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Dr.N.R.Madhava Menon
Former Director,
National Judicial Academy, Bhopal, and
National Law School of India, Bangalore

Secretary

Shri Amitabha Pande (IAS)

The Commission expresses its deep gratitude to late Dr. Amaresh Bagchi who was a Member of the Commission for his signal contribution to the preparation of this document. Dr. Bagchi passed away on 20th February 2008.

PREFACE

The Draft Questionnaire was circulated in December 2007 to the Union Ministries/ Departments, all State Governments, major political parties, selected Constitutional, legal and other domain experts and academic institutions of repute, so as to make the process of formulating the questionnaire a participatory exercise. There was enthusiastic response from several stakeholders and after considering their suggestions the Commission has now finalized the Questionnaire. Some of the views and comments, though not included as questions, have been noted as ‘issues’ which the Commission intends to go into later. In the event of the Commission receiving additional inputs the Commission may consider issuing a supplementary questionnaire.

The Commission would like to express its appreciation to all those who responded to the Draft Questionnaire for enriching the consultative process and helping the Commission in obtaining greater clarity on the subjects it proposes to consider.

The Commission now invites views and responses to the questions to enable it to fulfil its mandate.

New Delhi
31st May 2008

INTRODUCTORY

In a system of multi-level governance operating essentially in a federal framework such as ours, harmonious relations between the Centre and the States are critical for the stability, security and economic growth of the country and welfare of the people.

Constitution – Federal with a Strong Centre

Alarmed at the turn of events preceding the birth of free India and the country's partition, framers of the Indian Constitution had opted for a "Union of States" with a strong Centre, keeping away from the idea of a loose federation that had engaged their attention initially. While delineating the sphere of governance for the two levels of Government – the hallmark of a federal polity – our founding fathers adopted an approach to make sure that the country did not have to suffer any challenge to its integrity again. That led them to give the Centre powers to act decisively whenever needed and particularly when there was a threat to the country's integrity. Hence, provisions such as, according primacy to laws passed by Parliament over State laws, keeping residuary powers with the Centre, providing for the appointment of Governors of States by the President, and Emergency provisions in extreme situations were incorporated as essential parts of the Constitution. In keeping with the scheme of things, the tax powers of the States were also relatively limited. To enable the Centre to perform the task of maintaining macroeconomic stability, the States' access to borrowing from the market was subjected to Centre's oversight. The Constitution of India thus came to be described by some as quasi-federal with unitary characteristics.

50s to 70s – Further Centralization

As is well known, in the first three decades after independence centralization of powers was accentuated due to various factors such as the predominance of a single political party at the Centre as well as in the States; adoption of planning as a strategy of national development in which investment decisions determined by the Union, albeit through a consultative process, generally set the priorities for State budgets; the system of industrial licensing and control and the nationalization of major banks. The trend of judicial pronouncements during the period also tended to follow the same spirit. The Finance Commission appointed periodically, however, did endeavour to give evenhanded dispensation to States in the matter of revenue sharing.

The 80s – Centre-State Relations Revisited: Sarkaria Commission on Centre-State Relations

While the polity enjoyed stability, barring insurgency in some areas, and the economy registered good growth after a long period of stagnation, things started changing by the close of the seventies. One party rule started giving way to other parties and regional formations. The growth momentum also faltered. Some sections expressed their concern about the efficacy of overly centralized planning in sustaining growth at a rapid pace. States became vocal in their perception of the contraction of their powers and excessive use of emergency provisions by the Centre. Taking note of these developments, the Centre appointed a high level Commission in 1983 chaired by Justice R. S. Sarkaria, to examine the working of Centre-State relations.

The Commission made a thorough enquiry into the state of inter-governmental relations and came out with wide ranging recommendations. Many of them were accepted and implemented. In certain areas, however, the recommendations were not accepted or acted upon.

The 90s and thereafter – Globalization, Decentralization and Devolution

Events however seemed to overtake the political configurations bringing economic issues to the forefront. The economic crises of 1990-91 prompted acceleration of the earlier liberalization process. Controls in many areas were removed and operation of the market largely restored. The entrepreneurship and management skills of the private sector were sought to be utilized in a greater measure in almost all activities. Similarly, more space in economic policy making was sought to be provided to the States. Other factors were also at work with profound impact on systems of governance everywhere. Countries were compelled to meet greater obligations as a result of their membership of international bodies in a fast globalizing world. The horror of terrorism around the world posed a serious threat to integrity, stability and peace for which action had to be taken through international cooperation. Similarly, global warming and environmental concerns stared every nation in the face calling for concerted action internationally.

On the other hand, inadequacy of public services in critical areas like health and education, led to the demand for greater decentralization to bring Governments closer to the people and for greater accountability. Although Panchayats and Municipalities existed, they were

not endowed with adequate functions or resources of their own and were subjected to several controls. Supersessions were not uncommon and timely elections were not conducted. The Constitution was amended to rectify the situation by giving these institutions Constitutional status, with the hope that they would function as a third tier of governance. However, empowering them adequately remained a challenge.

In many other respects the changes did not go far. Although the States were expected to perform functions on a scale larger than before, their access to tax powers and borrowing remained limited. The transfer system did help to alleviate the regional disparities in the level of living and in public services, but sharp imbalances remained. While liberalization and restoration of the market helped to accelerate growth, regional disparities tended to widen. In an attempt to counter the possible ill effects on fiscal discipline, conditionalities came to be used increasingly with transfers. Fiscal discipline was sought to be imposed on State Governments by tying debt relief to enactment of fiscal responsibility laws. The proportion of central revenues transferred to the States had increased substantially over the years and dependence of relatively backward States on transfers had gone up sharply. The planning strategy, it was argued, needed a radical shift to reduce regional disparities and promote all round development.

The Rise of Regional Parties and Coalition Politics

Politically, however, with the rise of regional parties and coalitions, States seemed to gain the upper hand in many matters. Centre's powers of intervention also came to be circumscribed by judicial pronouncements in several areas such as imposition of President's rule. The dictum of 'basic structure' of the Constitution propounded by the Supreme Court in the celebrated Keshavananda Bharati case also tied the hands of the Centre in important ways.

The effect, inter alia, is that while the States feel handicapped in pursuing development programmes of their own for lack of adequate funds, the Centre finds itself hamstrung even when there is serious breakdown in law and order in some areas. The growth of the common market which is one of the main factors driving nations to come together to form federations or economic unions is unable to gain the momentum warranted by its potential, despite the mandate of freedom of trade, commerce and intercourse within the Indian Union envisaged in Article 301.

Second Commission on Centre-State Relations

Given this background it was felt that another look at the entire gamut of Centre-State relations was called for. The present Commission has been constituted to perform this task. The Commission would now like to have inputs from all stakeholders, Governments at all levels, major political parties, civil society groups and all persons interested in the issues raised in the terms of reference. The basic question that the Commission is required to address is:

“Are the existing arrangements governing Centre-State relations – legislative, executive and financial - envisaged in the Constitution, as they have evolved over the years, working in a manner that can meet the aspirations of the Indian society as also the requirements of an increasingly globalizing world? If not, what are the impediments and how can they be remedied without violating the basic structure of the Constitution?”

Stakeholder Consultation and Methodology

This questionnaire is the outcome of an extensive process of stakeholder consultation. The substantive and considered responses of all the stakeholders especially Union Ministries, State Governments, major political parties and constitutional experts will be a significant input in the deliberations of the Commission. In addition to deliberating upon the responses to the questionnaire the Commission intends to follow a methodology, the core ingredients of which are continuous and sustained consultative interaction with multiple stakeholders; commissioning studies including case studies on issues which require research and in-depth analysis; and interaction with selected domain experts and knowledge partners. It is expected that by following such a methodology the Commission will be able to fulfil its mandate satisfactorily.

India needs to respond to the far reaching changes of fundamental importance having a bearing on the quality of life of its people. Good governance is the key to managing this transition successfully and harmonious Centre-State relations occupy a significant place in this task. The Constitutional scheme, which by and large has stood the test of time , may require an imaginative appraisal and appropriate interpretation to be able to support the realization of the vision articulated in its Preamble. It is in this context that a fresh look at inter-governmental relations assumes critical importance.

1

**Constitutional Scheme
of
Centre-State Relations**

Constitutional Scheme of Centre-State Relations

Conceptual framework

1.1 What are your views on the overall framework and scheme of relations between the Centre and the States as contained in the Constitution of India and as they have evolved over time?

1.2 The framers of the Indian Constitution envisaged a unique scheme of Centre-State relations in which there is predominance of powers with the Centre. In the wake of developments that have taken place since then, the growing challenges and the emerging opportunities, please give your views whether any changes are called for in that scheme. If so, please suggest appropriate changes.

Role of Governor

1.3 In the Constitutional scheme, the Governor plays an important role in the relations between the Centre and States. Do you have any comments/suggestions to make regarding this role?

1.4 In the context of this role what are your views regarding the existing Provisions (alongwith conventions, practices and judicial pronouncements) relating to the appointment, tenure and removal of Governors?

1.5 The powers and functions of the Governor under Articles 200 and 201 in respect of assent to Bills have come for debate on many occasions in the past. Please give your views in the matter.

Constitutional scheme relating to local Governments

1.6 With the passage of the 73rd and 74th Constitutional Amendments, Panchayats and Municipalities have been accorded Constitutional status and protection. However, the Constitution leaves it to the State legislature to further devolve to the local bodies powers, functions, funds, and functionaries. The experience of the implementation of these provisions varies widely from State to State. What steps should be taken in your

view to make the devolution of powers and functions to the Panchayats and Municipalities and their implementation more effective?

1.7 What has been your experience in the functioning of District Planning Committees and Metropolitan Planning Committees as envisaged under Articles 243 ZD and 243 ZE respectively of the Constitution? What are your views on the steps needed to be taken to effectively promote the concept and practice of independent and decentralized planning and budgeting at District and Metropolitan levels?

Legislative Relations

1.8 In the course of the working of the Constitution certain subjects/entries in the Seventh Schedule have been transferred from one List to another. What in your view should be the principles and practices that may govern the transfer of legislative items from the State List to Union List/Concurrent List or vice versa? Is there any need for change of procedure in this regard? Do you have any suggestions on this issue?

1.9 What in your view has been the impact on Centre-State relations as a result of the changes that have taken place with the transfer of items from one List to another in the Seventh Schedule? Please provide specific instances of such impacts.

1.10 Are the existing processes of prior consultation with the States before undertaking any legislation on a matter relating to the Concurrent List effective? What suggestions do you have in this regard?

Administrative Relations

1.11 The Constitution makers seem to have given predominance to the Union vis-à-vis States in the matter of administrative relations. In view of past experience, does the present system warrant any change?

1.12 Articles 256 and 257 of the Constitution confer powers to the Union to give directions to the States. How should these powers be used in the best interest of good governance and healthy Centre-State relations?

1.13 The provisions relating to All India Services under Article 312 are a unique feature of Centre-State relations in India. What measures do you recommend for promoting better governance and harmonious Centre State relations through these Services?

Mechanisms for Inter-Governmental Consultation

1.14 Consultation between the Union and the States is a common practice in federations to facilitate administrative coordination. Several institutional arrangements including the National Development Council, the Inter-State Council, Zonal Councils, the National Integration Council exist for the purpose of formal consultations. Are you satisfied that the objective of healthy and meaningful consultation between the Centre and the States is being fully achieved through the existing institutional arrangements? What are the ways in which these processes can be further streamlined and made more effective?

1.15 Apart from the Inter-State Council several other institutions have been created to promote harmonization of policies and their implementation among States. Prominent among these are the Zonal Councils. In addition, there are a number of inter-State consultative bodies e.g., National Water Resource Council, Advisory Council on Foodgrains Management and Public Distribution and the Mineral Advisory Board. Then there are Central Councils of Health, Local Self Government and Family Welfare, Transport Development, Education, etc. What is your appraisal of the working and efficacy of these institutions/arrangements in securing inter-governmental cooperation? Do you think they play a useful and effective role in setting standards and effective coordination of policies in vital areas? What are your suggestions in this regard?

1.16 Treaty making is a part of the powers of the Union Executive. In the process of implementing these treaties some obligations at times may be cast on States also. What would you like to propose to take care of the concerns of the States?

1.17 In disputes leading to much litigation between the Union and the Central Government Public Enterprises, the Supreme Court had suggested an administrative mechanism to resolve such disputes through negotiations and consultation. This mechanism has helped to resolve many disputes without having to go to Courts. Do you think such an institutional arrangement can work for resolving administrative, financial etc. disputes between the Union and the entities of the States?

1.18 Article 247 contemplates establishment of additional Courts by Parliamentary legislation for better administration of laws made by Parliament with respect to matters in the Union List. However, the Constitution is not so explicit in respect of establishment of additional Courts to better administer laws made by Parliament with respect to matters in the Concurrent List. What are your suggestions in this regard?

Emergency Provisions

1.19 A body of opinion holds that safeguards corresponding to Clauses 7 and 8 of Article 352 may be incorporated in Article 356 to enable Parliament to review continuance of a proclamation under Article 356(1). What is your view on the subject?

2

**Economic and
Financial Relations**

Economic and Financial Relations

Economic and Financial Relations: General

2.1 In implementing the strategy of planning adopted by India after Independence, the Centre had assumed the lead role in formulating five-year plans with controls and licensing to implement them, and the States were required to play a supporting part. After economic liberalization many of the controls and licenses have been largely done away with and the States have regained much of their economic policy making space. Do you think the shift has been adequate and beneficial? Can you also highlight the specific areas in which further reforms may be required at the State level which can improve governance in general and the implementation of schemes and programmes of the Government?

2.2 Although the States are now expected to play an active role in promoting economic growth and poverty alleviation by providing infrastructure, delivering basic services efficiently and maintaining law and order, it is alleged, that most States have not kept pace with the reform process. On the other hand it is said that the discretion and priorities of the States, are affected by the imposition of the Centre's priorities, inter alia, through Centrally Sponsored Schemes. What are your views in this regard?

2.3 It has been the practice of the Planning Commission to get Five Year Plans including the Approach papers approved by the National Development Council with a view to ensuring involvement of the States in the planning process. Besides, discussions are held by the Planning Commission every year with the States individually, to decide the size of their Annual Plans and to accord approval. Do you think that the current practice is satisfactory or are any changes called for in the interest of better economic relations between the Centre and the States?

2.4 The National Development Council and the Inter-State Council are among the fora available for facilitating the coordination of economic policy making and its implementation. However only limited use seems to have been made of these institutions for the purpose. Coordination is achieved more through interaction between the Central

Ministries and the States. Do you think the present practice is adequate for ensuring harmonious economic relations?

System of Inter-Governmental Transfers

2.5 To all appearances and also from the Constituent Assembly debates it seems the Finance Commission was envisaged by the Constitution to be the principal channel for transfer of funds from the Centre to the States including those which were meant for development purposes. However, substantial transfers now take place through other channels such as, the Planning Commission and Central Ministries so much so that it is now said that such transfers have significantly impacted on fiscal federalism and the devolution of financial resources. Do you think that the present system of transfer of funds is working satisfactorily? Is there a need to restore the centrality of the role of the Finance Commission on devolution of funds from the Centre to the States?

2.6 Transfer of funds from the Centre to the States through revenue sharing and grants with the mediation of a statutory body viz., the Finance Commission, was envisaged by the Constitution makers to redress the imbalances in the finances of the States resulting from an asymmetric assignment of financial powers and functions to the States – the vertical imbalance. The disparities in the capacity of the State Governments to provide basic public services at a comparable level - horizontal imbalance - it was believed would also be alleviated through such transfers. There have been twelve Finance Commissions so far and the thirteenth has since been constituted. By and large the institution of the Finance Commission has come to be regarded as a pillar of India's federal system. What is your assessment of the role of the Finance Commission and the results achieved in terms of redressal of vertical and horizontal imbalances?

2.7 Transfers made by the Planning Commission by way of assistance for State plans are supposed to be guided largely by the Gadgil formula. Of late however the proportion of formula based plan transfers has come down. How do you view this development and what are your suggestions in this regard?

2.8 There is widespread criticism that the funds provided by the Centre are not properly utilized by the States and there are reports of substantial leakages. In order to provide incentives to the States for better fiscal management and efficient service delivery there is a suggestion that all transfers to the States should be subjected to conditionalities

and also tied to 'outcomes'. States on the other hand argue that in their experience the funds are not released by the Central Government in a timely manner. What are your suggestions on the subject?

2.9 Centrally Sponsored Schemes have emerged as an important instrument of the planning process. There is a view that such schemes may or may not be supplementing the States' own Plan schemes. What are your suggestions in this regard?

2.10 Substantial funds are now being transferred by the Centre directly to Panchayats, Municipalities and other agencies bypassing the States on the ground that the States have sometimes been tardy in the devolution of funds to these bodies. What is your view on this practice?

2.11 The States' power of borrowing is regulated by Article 293 of the Constitution. What do you suggest should be done further to facilitate the States' access to borrowing while keeping in view imperatives of fiscal discipline and macro economic stability?

2.12 What has been in your view the impact of the fiscal responsibility laws in your State?

Scheme of Tax Assignment

2.13 Do you think that in the light of experience and the requirements of a modern economy, it is time now to give a fresh look to the entire scheme of assignment of tax powers between the Centre and the States? If so, please give your suggestions with detailed justification.

Domestic Trade Tax reform: Introduction of Tax on Goods and Services (GST)

2.14 The system of domestic trade taxes in India is set to undergo a radical change with the introduction of Tax on Goods and Services (GST). Several models are available for operating the GST in a federal country. What in your view would be the model best suited for our country? You may also like to suggest the institutional arrangements that may be needed to implement the desired GST.

2.15 Once GST is introduced will there be a case for continuing with taxes on production, such as excise duty?

3

**Unified and Integrated
Domestic Market**

Unified and Integrated Domestic Market

3.1 One of the major benefits of a federation is to provide a common market within the country. In order to foster the growth of the common market, Article 301 of the Constitution mandates that trade, commerce and intercourse within the Indian Union shall be free. However, it is stipulated that restrictions on the free movement of goods etc. may be imposed in 'public interest' (Article 302). Invoking public interest, both the Centre and the States have imposed restrictions of various kinds on the movement of goods like food grains and so on. Besides restrictions on the movement of food grains, the impediments to the operation of a common market are imposed in several other ways such as, providing minimum price for products namely cotton or sugarcane and monopoly procurement of commodities such as cotton etc. While such actions by a State require approvals by the Centre, it is said that approvals have been granted in many cases almost as a matter of routine.

What in your view should be done to ensure the operation of the common market in the Indian Union? How can the mandate contained in Part XIII of the Constitution be carried out effectively?

3.2 Article 307 of the Constitution provides for the creation of an institution to oversee the operation of the mandate of a common market in the country. What are your views on setting up a Commission/Institution under Article 307 for this purpose?

4

**Local Governments
and Decentralized
Governance**

Local Governments and Decentralized Governance

4.1 Even though fifteen years have passed since the 73rd and 74th amendments of the Constitution, the actual progress in the devolution of powers and responsibilities to local Governments i.e. Panchayats and Municipalities is said to be limited and uneven. What steps in your view need to be taken to ensure better implementation of devolution of powers as contemplated in the 73rd and the 74th amendments so as to enable Panchayats and Municipalities to function as effective units of self government?

4.2 Should greater autonomy be given by the State governments to Panchayats and Municipalities for levying taxes, duties, tolls, fees etc. in specific categories and strengthening their own sources of revenue? In this context, what are your views for making the implementation of recommendations of the State Finance Commissions more effective?

4.3 A large number of government schemes are implemented by the Panchayats and Municipalities which are operated on the basis of various guidelines issued by the Central and State line departments. There is a view that such common guidelines are rigid and sometimes unsuited to local conditions. Do you think there is a case for making these guidelines flexible, so as to allow scope for local variations and innovations by Panchayats and Municipalities without impinging on core stipulations?

4.4 There is an increasing number of schemes of the Central Government for which funds go from the Centre directly to local governments and other agencies. The purpose of this is to ensure that the targeted beneficiaries of these schemes get the benefits directly and quickly. Please comment on the desirability and effectiveness of the practice of direct release of funds and the role of the States in monitoring the implementation of the schemes. Do you have any other suggestions in this regard?

4.5 In the spirit of the 73rd and 74th amendments to the Constitution primacy was expected to be accorded to Panchayats and Municipalities in decentralized planning, in decision making on many local issues eg. public health, school education, drinking water supply, drainage and sewerage, civic infrastructure, etc and in the administration and implementation of Government funded developmental programmes, schemes and projects. In practice, however, many authorities, agencies and other organizational entities such as societies, missions, self help groups etc. continue to function in parallel and at times even in competition and conflict. Concern has been expressed by some sections that these

parallel institutions are contrary to the Constitutional vision and weaken the role and effectiveness of the Panchayats and Municipalities. On the other hand, it is sometimes argued that Panchayats and Municipalities do not have the capacity to plan, administer and implement many programmes/schemes/projects requiring very specialized technical and managerial skills and resources. What are your views in the matter? What steps would you suggest to streamline institutional arrangements between such parallel agencies and the Panchayats/Municipalities to bring about more effective and well coordinated action congruent with the spirit of the 73rd and 74th amendments?

4.6 A view is often expressed that the three levels of the district, intermediate and village Panchayats within the Panchayat system clutter up the system and give scope for friction and discord amongst them. What are the means by which an organic linkage can be best fostered between the Panchayats? Are any changes in the three tier system warranted?

4.7 Participative planning especially spatial planning from the grassroots level upwards to culminate in a district plan is emerging as the most potent instrument for empowering Panchayati Raj Institutions. Do you think this is the right approach to empower Panchayats? What are your views on the role, functions and composition of the District and Metropolitan Planning Committees?

4.8 Instances have been reported where the State Governments have held different or even conflicting views to that of the local Governments in respect of the administration of devolved subjects and vice versa. What mechanisms do you suggest, other than Courts, to help resolve such disputes? What other measures would you suggest to bring about better linkages between elected members of Panchayats and Municipalities with the State Legislatures? Is there a possible room for representation of elected Panchayats and Municipality members in the Upper Houses/Legislative Councils of the States, where such Upper Houses exist?

4.9 What roles do you envisage for the local Governments in infrastructure creation specially mega-projects which may involve acquisition of land and displacement of people in areas under the jurisdiction of the local Governments? Local Governments should have a major role to play in decision making on issues relating to management of land resources especially change of land use from agricultural to urban and industrial purposes, acquisition of land for public purposes etc., to ensure greater stakeholder participation and reduce possibilities of conflict between local, state and national interests. What are your views in this regard?

4.10 Large urban agglomerations and mega-cities pose very different kind of challenges for governance in a federal context. The relationship between the Governments of such large cities and other levels of Government is becoming increasingly complex. What roles and responsibilities would you like to see assigned to each of the three levels of Government for the better management of mega/metro cities including their security keeping in view the specific nature of the problems faced by them?

4.11 Many of the regions falling in the scheduled areas (Schedules V & VI) have traditional institutions of governance coexisting with or substituting Panchayati Raj Institutions e.g. Autonomous Hill Councils etc. What are your views as to how these institutions can be further strengthened and be congruent with the spirit of the 73rd and 74th amendments without undermining their traditional character?

5

**Criminal Justice,
National Security
and Centre-State
Cooperation**

Criminal Justice, National Security and Centre-State Cooperation

Role of the Union in the matter of Internal and National Security

5.1 Article 355 of the Constitution stipulates that “it shall be the duty of the Union to protect every State against external aggression and internal disturbance.....” Although Public Order and Police come within the State List, Deployment of Central forces in any State in aid of the civil powers including jurisdiction, privileges and liabilities of members of such force while on such deployment are subjects of the Union List. In the context of recent developments of prolonged extremist violence and cross-border terrorism in certain States, the role and responsibility of the Central and State Governments to contain such disturbances have come up for examination in meetings of the Centre with the States.

This is an issue which has a vital bearing on the life and security of the people and deserves urgent attention. Given the mandate of Article 355 and the division of powers in respect of internal and national security, do you think the role and responsibilities of the Centre and States in the matter of controlling internal disturbance often spread over several States require delineation through supporting legislation?

5.2 By convention and in practice, Central forces are deployed to control “internal disturbance” only when specific requests are made to that effect by individual State Governments. Article 355 of the Constitution enjoins the Union to protect States against external aggression and internal disturbances. What courses of action you would recommend for the Centre to effectively discharge its obligations under Article 355?

Social and Communal Conflicts

5.3 Maintenance of communal harmony in the country is one of the key responsibilities of both the Union and the State Governments. The Government is expected to ensure that communal tensions and communal violence are kept under control at all times. What according to you should be the role, responsibility and jurisdiction of the Centre vis-à-vis the States –

- (a) During major communal tensions particularly the ones which may lead to prolonged and escalated violence? and;
- (b) When such prolonged major communal violence actually takes place?

5.4 Likewise, what are your views on prevention and control of sectarian violence or any other social conflicts that may lead to prolonged and escalated violence?

5.5 In the light of the above two questions, what according to you should be classified as a major and prolonged act of violence? What parameters would you like to suggest in defining a major and prolonged act of violence?

5.6 In the above context what steps would you suggest for making the role of the National Integration Council more effective in maintaining and sustaining social and communal harmony in the country?

5.7 How can the media in your view play a constructive role in preventing and containing communal and sectarian violence?

Crimes affecting National Security

5.8 Several expert committees constituted by the Government from time to time for reforming criminal justice administration have consistently recommended the need for classifying crimes threatening national security as a separate category requiring differential treatment. These are crimes generally masterminded by criminal syndicates across state and national boundaries using illegitimate or ostensibly legitimate channels mostly with the support of anti-national elements. This category may include crimes such as terrorist violence, economic crimes like money laundering, production and distribution of fake currency and stock market frauds, transnational crimes like drug trafficking, arms and explosives smuggling etc..

Given the potential danger to the security of the country arising from such inter-state and transnational crimes, which crimes in your view merit inclusion in such a category?

5.9 Given their characteristics as mentioned in 5.8, inter-State and transnational crimes do warrant different procedures for investigation and prosecution as compared to other crimes. A Central Agency with special expertise and resources working in co-ordination with international security agencies on the one hand and the State police on the other, is the model recommended by expert committees to tackle the problem. What are your views in this regard?

5.10 The Central Agency so constituted as a result of issues raised in 5.9 above would not be able to operate effectively without the cooperation and support of the State law and order machinery. What are your suggestions in this regard?

6

**Natural Resources,
Environment, Land and
Agriculture**

Natural Resources, Environment, Land and Agriculture

Water Resources

6.1 The Inter-State River Water Disputes Act, 1956, provides for inter alia the constitution of a tribunal by the Central Government, if a dispute cannot be settled by negotiations within a time frame of one year after the receipt of an application from a disputant State; giving powers to tribunals to requisition any data from the State Governments, the water management agencies etc; a data bank and an information system being maintained by the Central Government at the national level for each river basin; empowerment of the Central Government to verify data supplied by the State Government; a time frame for tribunals to give an award and for the decision of the tribunal after its publication in the official gazette by the Central Government to have the same force as an order or decree of the Supreme Court. Broad principles for sharing of river waters are still under discussion between the Central Government and the States.

Are you satisfied that the measures taken so far have contributed effectively to the resolution of inter-State river water disputes? What additional measures do you suggest for strengthening the implementation of the existing Constitutional provisions and other laws? What in your view should be the role of the Central Government in implementing and monitoring the existing inter-State water sharing agreements and in ensuring compliance and implementation of the awards of tribunals, court decisions and agreements/treaties?

6.2 Water as a resource, particularly river waters, is an issue of great complexity and sensitivity in terms of ownership and control, conservation, optimal and sustainable use, sharing and distribution and it is apprehended that this may result in serious tension and possible civil strife in future. Proper management of the resource requires striking a balance between national interests and the interests of the States through which the rivers flow. In this context several proposals have been considered including the transfer of water from one river basin to another, more prudent use in intra-basin areas, sharper focus on rain water harvesting and water management strategies etc. What are your views in the matter to ensure better management of this valuable resource keeping in view both national interests and the interests of individual States? Can the concept of integrated planning and management of river basins under a joint authority be introduced on a larger scale?

6.3 Continuing from the foregoing, what in your view should be the nature of Centre-State cooperation in mitigating the effect of floods and management of drainage and irrigation particularly when these issues have inter-State and international implications?

6.4 Pollution of our rivers poses a serious threat to the quality of available water, biotic resources, human health and safety and our natural heritage. Adequate efforts to tackle the problem through technology oriented national and state level programmes backed by peoples participation have been lacking. Even Missions such as Ganga / Yamuna Action Plan(s) and other river action plans have yielded limited results. What steps – legal, administrative, technological, economic and financial – would you suggest for a resolution of the problem?

6.5 The subject of land improvement figures at Entry 18 in List-II of the Seventh Schedule under Article 246. Most of the States have not taken sufficient measures to optimally utilize the nutrients present in the residue of treated sewage or in the river waters by way of sullage and sewage flowing into them (part of the solid waste settles at the river bottom and is retrievable during the period of lean flow) and recycling the available water resource to improve the fertility of soil and increase the productivity of land.

In this context there is an increasingly perceived need to have in place a national strategy for control, regulation and utilization of sullage and wastewater to improve the quality of soil, land and other nutrients with the objective of augmenting agricultural yield, more so due to mounting water scarcity and changes in precipitation owing to climatic changes. What are your suggestions for countering the resulting loss to the nation?

6.6 Storage or reservoir or dam based projects are often conceived as multi purpose projects providing not only power but also irrigation, navigation, drinking water and flood control benefits. At the same time such projects have higher environmental and social externalities. The issue of fair sharing of social and environmental costs and benefits between downstream/command areas and upstream/catchment areas has been a major problem leading to suboptimal utilization of this valuable resource.

What role do you envisage for the Central Government for achieving greater cooperation among the various stakeholders in developing a consensus on such projects?

Forests, Land and Agriculture

6.7 With the adoption of the National Environment Policy 2006, greater powers have been delegated to the States to grant environmental and forest clearances for infrastructure and industrial projects having investment of upto a specified limit. While one body of opinion is of the view that it will have a harmful effect on ecology and disrupt the fragile equilibrium in our environment, others look upon this as a welcome initiative which will facilitate timely implementation of development projects.

Do you think that the existing arrangements are working satisfactorily? How do you think the conflicting interests of development and environmental conservation can be better reconciled?

6.8 There is a view that the inadequacy of minimum infrastructure facilities for forest dwellers and general lack of economic opportunities has greatly contributed to the escalation of dissatisfaction and alienation among them. This also raises security concerns. The 'Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Tribes) Act, 2006' which confers land ownership rights on Scheduled Tribes and other traditional forest dwellers in the event of their being in occupation of the said land as on 13th December, 2005 is perceived as a major step towards containment of unrest and tension. Do you agree with this assessment? What further steps can be taken to build sustainable models of conservation by involving tribal and other forest dwelling communities?

6.9 Some of the States have contended that they have to maintain and conserve large tracts of forests and green cover for national and global benefit at the cost of the economic interests of the State. Similarly mountain States, particularly those that are a part of the Himalayan ecosystem have to constrict the economic exploitation potential of the region for the benefit of the ecosystem as a whole. In other words, these States provide ecological services essential for the nation as a whole as well as for the entire global community. These States have argued for compensation to them and the communities who perform the role of stewardship of these valuable ecological assets. What are your views in this regard?

Mineral Resources including Hydrocarbons

6.10 Regulation of mineral resources including hydrocarbons comes within the competence of the Centre by virtue of Entries 53, and 54 and 55 of List I of the Seventh Schedule. Entry 23 under List II similarly empowers the States to regulate the development of mines and minerals subject to the provisions of List I. The States have been seeking a greater role in the decision making processes relating to the regulation of mineral resources e.g. in the determination of the royalty rates, periodicity of rates revision etc. What steps, in your view, should be taken to evolve an integrated policy on the subject that would reconcile the interests of the States with the sustainable exploitation of mineral resources including hydrocarbons in the national interest?

Ecosystems, Climate Change and Natural Disasters

6.11 India's vulnerability to the projected impacts of climate change is high, particularly with regard to its effect on water resources, power, agriculture, forests, tourism, health and rural livelihoods etc. Most of these issues are dealt with primarily at the State and local levels.

In view of the problems and challenges posed by the phenomenon of climate change, how would you delineate the respective roles and responsibilities of the Centre, the States and the Municipalities and Panchayats?

7

**Infrastructure
Development and
Mega Projects**

Infrastructure Development and Mega Projects

7.1 Mega projects, such as infrastructure projects related to national/inter-State highways, river interlinking major irrigation works, large scale power generation, etc are characterized by long gestation periods, heavy capital investment requirements and complex ownership and management structures involving multiple stakeholders. These projects both in their creation and operation are dependent on smooth and well-coordinated Centre-State and inter-State relations. There are several instances of such projects getting thwarted or delayed or their operations getting affected by inter-State or Centre-State problems at a heavy cost to society. Please give your suggestions for creating an enabling policy and institutional framework, innovative structures and mechanisms for stakeholder participation and systems and procedures for quick reconciliation of conflicting approaches so that national interests prevail.

7.2 Mega projects involve large scale acquisition of land and consequential problems associated with compensation, displacement of people and their relief and rehabilitation and resettlement. Would you suggest any policy changes in the existing processes of land acquisition and payment of compensation thereof? Likewise, is there a need for bringing in any changes in the rehabilitation and resettlement policies in order to minimize displacement, ensure fair compensation for the project affected people and provide them commensurate livelihood security?

7.3 In the case of mega projects, often actions and interventions in one State impact on another. The construction of a large dam in one State, for instance, may lead to large scale displacement of people in another without commensurate benefits accruing to that State. What are your suggestions for evolving a national consensus on rehabilitation policies and strategies and conflict resolution mechanisms?

8

**Socio Political
Developments, Public
Policy and Governance**

Socio-Political Developments, Public Policy and Governance

Political Developments

8.1 India is characterized by ‘unity in diversity’ consistent with a pluralistic identity. Recent decades have been marked by significant increase of socio-political mobilization around sectarian identities. Fears have been expressed that political developments emanating from such mobilization pose a threat to the unity and integrity of the country.

Do you agree with this assessment and if so what are your suggestions for a long-term solution?

8.2 Another significant political development has been the growth and ascendancy of regional parties. These parties have now come to legitimately play a major role in governance at the national level. Given the possibility of this trend continuing, what would you suggest should be done to harmonize national and regional interests for better Centre-State relations?

8.3 In contemporary federations, different types of political configurations exist with various kinds of coalitions being formed among political parties, other groups and individuals. In India the multi-party coalitions have increasingly become the trend. In this context, what measures would you suggest to ensure that the national vision and wider collective purpose are always paramount and do not get distorted.

8.4 With the passing of the 73rd and the 74th amendments to the Constitution in 1992 more empowered local level political leadership has emerged. New areas of political tensions and conflicts among Central, State and Panchayat/Municipal level leaderships have consequently arisen. How can these conflicts be resolved and their relationship harmonized? Please give your suggestions.

Social Developments

8.5 Socio-economic developments have resulted in large scale migration from the under developed to the better developed regions within the country. This has sometimes affected the established demographic patterns and has tended to cause social tensions. This development has serious implications for Centre-State and inter-State relations. With the free movement of citizens guaranteed by the Constitution, what measures would you suggest to contain such social tensions?

Public Policy and Governance

8.6 Article 37 of the Constitution states that the principles laid down in Part IV are fundamental in the governance of the country and it shall be the duty of the State to apply these principles to making laws.

- (i) Have the Directives been accorded due regard by the Centre and the States in making laws and in formulating policies and programmes?
- (ii) What are those Directives which require more legislative attention from (a) the Union Parliament, and (b) the State Legislatures?

8.7 What in your view are the elements of good governance that need to be addressed? What parameters would you consider appropriate in order to judge the performance of a State? What are your views about the existing monitoring, review and evaluation mechanisms to ensure delivery of effective outputs and outcomes of the schemes and programmes in the field?

8.8 The task of governance is no longer confined exclusively to Governments, but includes a wide range of stakeholders – the organized private sector, public-private partnership institutions, civil society organizations, user and consumer groups, special interest groups, associations of industry and a variety of other non-state organizations. In many spheres of activity, earlier performed primarily by Governments, eg., education, health care, infrastructure creation and management, such organisations now play a very important role at various levels. In view of their growing significance these organizations may have to be seen as important players in a multi-level federal order. In the context of these developments, what measures would you suggest for the participation of these emerging stakeholders in the scheme of governance to address the growing challenges of ensuring good governance for promoting the welfare of the people?

8.9 In the context of the increased role of many non state organizations in the delivery of public services, please give your views on:

- (a) What can be done to ensure that such organizations take due account of social responsibilities and public good in their functioning?
- (b) How can the discipline of human rights and the philosophy of the Directive Principles be brought into the scheme of such organizations?
- (c) How can the principle of democratic accountability in the delivery of public services be extended to these organizations?

9

**Social, Economic and
Human Development**

Social, Economic and Human Development

9.1 Development strategies, particularly those aimed at correcting regional imbalances, often require looking at the region as a whole. Regions are often defined by topographic, agro-climatic, ethno-geographic and social and cultural similarities and may comprise two or more States. There is merit in looking at the core strengths of the entire region and basing strategies on such strengths irrespective of State boundaries. This would require new forms of inter-State cooperation for synergistic development. What are your suggestions for achieving such cooperation?

9.2 One of the criticisms faced by the central sector and Centrally Sponsored Schemes is that they tend to have a uniform prescription for all situations without adequate regard to regional and local specificities and suffer from lack of flexibility. Do you think such criticism is justified? If yes, what are your suggestions to remove them? What measures do you suggest for customization of programmes and schemes to suit the differentiated needs of States and Local Governments?

9.3 Quality of education at all levels and in all fields has been a matter of concern. There is need for developing common acceptable standards and having an effective system of accreditation, certification and quality assurance systems and procedures. Given the Constitutional provisions what respective roles, according to you, can the Centre and States play individually or collectively in working out a coordinated strategy in this respect?

9.4 What steps can be undertaken by the Centre and States in a coordinated manner to preserve and promote academic disciplines which are getting marginalized by a variety of socio-economic developments?

9.5 One of the challenges faced by policy planners in the country is lack of uniform social and economic measurement standards (including poverty, health, education etc.). This applies across Central departments as well as between States. This is an important issue because these measurements are utilized for the allocation of resources to the States. How can uniform national standards for the measurement of these indicators be formulated? What are your suggestions with respect to Centre-State cooperation in the joint formulation of these standards?

10

Miscellaneous

Miscellaneous

10.1 Para 4(iii) of the notification relating to the Terms of Reference of this Commission (annexed) states that the Commission while examining and making recommendations may not limit its mandate to these. While the Commission has tried to make the Questionnaire as comprehensive as possible, there may still be additional issues which the respondents may like to highlight. In case it is felt that submissions on such additional issues are required, these can be added alongside the responses to the questions.

**Relevant Extract from Notification no. IV/12013/9/2004-CSR
dated 30th September, 2005 on the Terms of Reference**

- 4 (i) The Commission will examine and review the working of the existing arrangements between the Union and States as per the Constitution of India, the healthy precedents being followed, various pronouncements of the Courts in regard to powers, functions and responsibilities in all spheres including legislative relations, administrative relations, role of Governors, emergency provisions, financial relations, economic and social planning, Panchayati Raj institutions, sharing of resources; including inter-state river water and recommend such changes or other measures as may be appropriate keeping in view the practical difficulties.
- (ii) In examining and reviewing the working of the existing arrangements between the Union and States and making recommendations as to the changes and measures needed, the Commission will keep in view the social and economic developments that have taken place over the years particularly over the last two decades and have due regard to the scheme and framework of the Constitution. Such recommendations would also need to address the growing challenges of ensuring good governance for promoting the welfare of the people whilst strengthening the unity and integrity of the country, and of availing emerging opportunities for sustained and rapid economic growth for alleviating poverty and illiteracy in the early decades of the new millennium.
- (iii) While examining and making its recommendations on the above, the Commission shall have particular regard, but not limit its mandate to the following: -
- (a) The role, responsibility and jurisdiction of the Center *vis-a-vis* States during major and prolonged outbreaks of communal violence, caste violence or any other social conflict leading to prolonged and escalated violence.
 - (b) The role, responsibility and jurisdiction of the Center *vis-a-vis* States in the planning and implementation of the Mega Projects like the inter-linking of rivers, that would normally take 15— 20 years for completion and hinge vitally on the support of the States.
 - (c) The role, responsibility and jurisdiction of the Center *vis-a-vis* States in promoting effective devolution of powers and autonomy to Panchayati

- Raj Institutions and Local Bodies including the Autonomous Bodies under the 6th Schedule of the Constitution within a specified period of time.
- (d) The role, responsibility and jurisdiction of the Center *vis-a-vis* States in promoting the concept and practice of independent planning and budgeting at the District level.
 - (e) The role, responsibility and jurisdiction of the Center *vis-a-vis* States in linking Central assistance of various kinds with the performance of the States.
 - (f) The role, responsibility and jurisdiction of the Centre in adopting approaches and policies based on positive discrimination in favour of backward States.
 - (g) The impact of the recommendations made by the 8th to 12th Finance Commissions on the fiscal relations between the Centre and the States, especially the greater dependence of the States on devolution of funds from the Centre.
 - (h) The need and relevance of separate taxes on the production and on the sales of goods and services subsequent to the introduction of Value Added Tax regime.
 - (i) The need for freeing inter-State trade in order to establish a unified and integrated domestic market as also in the context of the reluctance of State Governments to adopt the relevant Sarkaria Commission's recommendation in Chapter XVIII of its report.
 - (j) The need for setting up a Central Law Enforcement Agency empowered to take up suo motu investigation of crimes having inter-State and/or international ramifications with serious implications on national security.
 - (k) The feasibility of a supporting legislation under Article 355 for the purpose of suo motu development of Central forces in the States if and when the situation so demands.

Appendix XI

**List of State Governments / Union Territory Administrations from whom
the response to the final Questionnaire was sought**

Sl. No. State Governments/Union Territory Administrations

STATES

1. Andhra Pradesh
2. Arunachal Pradesh
3. Assam
4. Bihar
5. Chhattisgarh
6. Goa
7. Gujarat
8. Haryana
9. Himachal Pradesh
10. Jammu & Kashmir
11. Jharkhand
12. Karnataka
13. Kerala
14. Madhya Pradesh
15. Maharashtra
16. Manipur
17. Meghalaya
18. Mizoram
19. Nagaland
20. Orissa
21. Punjab
22. Rajasthan
23. Sikkim
24. Tamil Nadu

- 25. Tripura
- 26. Uttar Pradesh
- 27. Uttarakhand
- 28. West Bengal

UNION TERRITORIES

- 29. Andaman & Nicobar Islands
- 30. Chandigarh
- 31. Dadra & Nagar Haveli
- 32. Daman & Diu
- 33. Lakshadweep Islands
- 34. NCT of Delhi
- 35. Puducherry

Appendix XII

**List of Central Ministries /Departments from whom
the response to the final Questionnaire was sought**

Sl. No. Name of Central Ministry /Department

- 1 Ministry of Agriculture
[Department of Agriculture & Cooperation]
- 2 Ministry of Agriculture
[Department of Agricultural Research & Education]
- 3 Ministry of Agriculture
[Department of Animal Husbandry, Dairying & Fisheries]
- 4 Department of Atomic Energy
- 5 Ministry of Chemicals & Fertilizers
[Department of Fertilizers]
- 6 Ministry of Chemicals & Fertilizers
[Department of Chemicals & Petrochemicals]
- 7 Ministry of Civil Aviation
- 8 Ministry of Coal
- 9 Ministry of Commerce and Industry
[Department of Commerce]
- 10 Ministry of Commerce and Industry
[Department of Industrial Policy & Promotion]
- 11 Ministry of Communications and Information Technology
[Department of Telecommunications]
- 12 Ministry of Communications and Information Technology
[Department of Information Technology]
- 13 Ministry of Communications and Information Technology
[Department of Posts]

- 14 Ministry of Corporate Affairs
- 15 Ministry of Consumer Affairs, Food & Public Distribution
[Department of Food & Public Distribution]
- 16 Ministry of Consumer Affairs, Food & Public Distribution
[Department of Consumer Affairs]
- 17 Ministry of Culture
- 18 Ministry of Defence
[Department of Defence]
- 19 Ministry of Defence
[Department of Defence Production]
- 20 Ministry of Defence
[Defence Research and Development Organization]
- 21 Ministry of Defence
[Financial Adviser (Defence Services)]
- 22 Ministry of Development of North Eastern Region
- 23 Ministry of Earth Sciences
- 24 Ministry of Environment & Forests
- 25 Ministry of External Affairs
- 26 Ministry of External Affairs
[Secretary (East)]
- 27 Ministry of External Affairs
[Secretary (West)]
- 28 Ministry of External Affairs
[Secretary (FSI)]
- 29 Ministry of Finance
[Department of Economic Affairs]

- 30 Ministry of Finance
[Department of Revenue]
- 31 Ministry of Finance
[Department of Financial Services]
- 32 Ministry of Finance
[Deptt. of Expenditure][Finance Commission Division]
- 33 Ministry of Finance
[Department of Disinvestment]
- 34 Ministry of Food Processing Industries
- 35 Ministry of Health & Family Welfare
[Department of Health & Family Welfare]
- 36 Ministry of Health & Family Welfare
[Department of Ayurveda, Yoga, Naturopathy, Unani, Siddha and Homeopathy
(AYUSH)]
- 37 Ministry of Heavy Industry & Public Enterprises
[Department of Heavy Industry]
- 38 Ministry of Home Affairs
- 39 Ministry of Home Affairs
[Department of Border Management]
- 40 Ministry of Home Affairs
[Department of Official Language]
- 41 Ministry of Housing & Urban Poverty Alleviation
- 42 Ministry of Human Resource Development
[Department of School Education & Literacy]
- 43 Ministry of Human Resource Development
[Department of Higher Education]
- 44 Ministry of Information and Broadcasting

- 45 Ministry of Labour & Employment
- 46 Ministry of Law & Justice
[Department of Legal Affairs]
- 47 Ministry of Law & Justice
[Legislative Department]
- 48 Ministry of Law & Justice
[Department of Justice]
- 49 Ministry of Micro, Small and Medium Enterprises
- 50 Ministry of Mines
- 51 Ministry of Minority Affairs
- 52 Ministry of New & Renewable Energy
- 53 Ministry of Overseas Indian Affairs
- 54 Ministry of Panchayati Raj
- 55 Ministry of Parliamentary Affairs
- 56 Ministry of Personnel, Public Grievances and Pensions
[Department of Administrative Reforms & Public Grievances]
- 57 Ministry of Personnel, Public Grievances and Pensions
[Department of Personnel & Training]
- 58 Ministry of Petroleum and Natural Gas
- 59 Ministry of Power
- 60 Ministry of Railways
- 61 Ministry of Rural Development
- 62 Ministry of Rural Development
[Department of Drinking Water Supply]

- 63 Ministry of Science & Technology
[Department of Bio-Technology]
- 64 Ministry of Science and Technology
[Department of Science & Technology]
- 65 Ministry of Shipping, Road Transport & Highways
[Department of Road Transport & Highways]
- 66 Ministry of Shipping, Road Transport & Highways
[Department of Shipping]
- 67 Ministry of Social Justice & Empowerment
- 68 Department of Space
- 69 Ministry of Statistics and Programme Implementation
- 70 Ministry of Steel
- 71 Ministry of Textiles
- 72 Ministry of Tourism
- 73 Ministry of Tribal Affairs
- 74 Ministry of Urban Development
- 75 Ministry of Water Resources
- 76 Ministry of Women & Child Development
- 77 Ministry of Youth Affairs & Sports
- 78 National Commission for Backward Classes
- 79 National Commission for Scheduled Castes
- 80 National Commission for Scheduled Tribes
- 81 Planning Commission

Appendix XIII

**List of Political Parties from whom the response to the
final Questionnaire was sought**

Sl. No.	Name of Political Party
1.	All India Anna Dravida Munnetra Kazhagam
2.	All India Forward Bloc
3.	All India Trinamool Congress
4.	Asom Gana Parishad
5.	Bahujan Samaj Party
6.	Bharatiya Janata Party
7.	Biju Janata Dal
8.	Communist Party of India
9.	Communist Party of India (M)
10.	Dravida Munnetra Kazhagam
11.	Indian National Congress (I)
12.	J&K National Conference
13.	Janata Dal (S)
14.	Janata Dal (U)
15.	Jharkhand Mukti Morcha
16.	Lok Jan Shakti Party
17.	Marumalarchi Dravida Munnetra Kazhagam

18. Mizo National Front
19. Nationalist Congress Party
20. Pattali Makkal Katchi
21. Rashtriya Janata Dal
22. Samajwadi Party
23. Shiv Sena
24. Sikkim Democratic Front
25. Telugu Desam Party

Appendix XIV

**List of Universities from whom the response to the
final Questionnaire was sought**

Sl. No. Name of University

Andhra Pradesh

1. Andhra University, Visakhapatnam
2. University of Hyderabad, Hyderabad
3. NALSAR University of Law, Hyderabad
4. Osmania University, Hyderabad

Arunachal Pradesh

5. Rajiv Gandhi University, Itanagar

Assam

6. Assam University, Silchar
7. Dibrugarh University, Dibrugarh
8. Gauhati University, Guwahati

Bihar

9. Chanakya National Law University, Patna
10. Magadh University, Bodh Gaya
11. Nalanda Open University, Patna
12. Patna University, Patna

Goa

13. Goa University, Goa

Gujarat

14. Gujarat University, Ahmedabad

15. Gujarat Vidyapith, Ahmedabad
16. Sardar Patel University, Vallabh Vidya Nagar
17. Veer Narmad South Gujarat University, Surat

Haryana

18. Kurukshetra University, Kurukshetra
19. Maharshi Dayanand University, Rohtak

Himachal Pradesh

20. Himachal Pradesh University, Shimla

Jammu & Kashmir

21. University of Jammu, Jammu Tawi
22. University of Kashmir, Srinagar

Jharkhand

23. Ranchi University, Ranchi

Karnataka

24. Bangalore University, Bangalore
25. Gulbarga University, Gulbarga
26. University of Mysore, Mysore
27. National Law School of India University, Bangalore

Kerala

28. Cochin University of Science & Technology, Kochi
29. University of Kerala, Thiruvananthapuram
30. Mahatma Gandhi University, Kottayam

Madhya Pradesh

- 31. Barkatullah Vishwavidyalaya, Bhopal
- 32. Vikram University, Ujjain

Maharashtra

- 33. University of Mumbai, Mumbai
- 34. University of Pune, Pune
- 35. Symbiosis International University, Pune
- 36. Tata Institute of Social Sciences, Mumbai

Manipur

- 37. Manipur University, Imphal

Meghalaya

- 38. North-Eastern Hill University, Shillong

Orissa

- 39. Berhampur University, Berhampur
- 40. Utkal University, Bhubaneswar

Punjab

- 41. Guru Nanak Dev University, Amritsar
- 42. Panjab University, Chandigarh
- 43. Punjabi University, Patiala

Rajasthan

- 44. Mohan Lal Sukhadia University, Udaipur
- 45. National Law University, Jodhpur
- 46. University of Rajasthan, Jaipur

Tamil Nadu

47. Anna University, Chennai
48. Annamalai University, Annamalai Nagar
49. Bharathiar University, Coimbatore
50. Bharathidasan University, Tiruchirappalli
51. Madurai Kamaraj University, Madurai
52. Tamil Nadu Dr. Ambedkar Law University, Chennai

Tripura

53. Tripura University, Tripura West

Uttar Pradesh

54. Aligarh Muslim University, Aligarh
55. University of Allahabad, Allahabad
56. Banaras Hindu University, Varanasi
57. Bundelkhand University, Jhansi
58. Dr. Bhim Rao Ambedkar University, Agra
59. University of Lucknow, Lucknow
60. Dr. Ram Manohar Lohiya National Law University, Lucknow

Uttarakhand

61. Hemawati Nandan Bahuguna Garhwal University, Garhwal
62. Kumaon University, Nanital

West Bengal

63. University of Calcutta, Kolkata
64. Jadavpur University, Kolkata
65. University of North Bengal, Darjeeling
66. Rabindra Bharati University, Kolkata
67. Viswabharati University, Shantiniketan

NCT of Delhi

- 68. University of Delhi, Delhi
- 69. Guru Gobind Singh Indraprastha University, Delhi
- 70. Indira Gandhi National Open University, New Delhi
- 71. Jamia Millia Islamia University, New Delhi
- 72. Jawaharlal Nehru University, New Delhi
- 73. National University of Educational Planning & Administration, New Delhi
- 74. National University of Educational Research & Training, New Delhi

Puducherry

- 75. Pondicherry University, Pondicherry

Appendix-XV

**List of other Institutions/Organizations from whom the response to the final
Questionnaire was sought**

Sl. No.	Name of Institution/Organization
Andhra Pradesh	
1.	Centre for Economic & Social Studies, Hyderabad
2.	Council for Social Development, Hyderabad
3.	Institute of Public Enterprise, Hyderabad
Assam	
4.	O.K.D. Institute of Social Change & Development, Guwahati
Bihar	
5.	A.N. Sinha Institute of Social Studies, Patna
Gujarat	
6.	Centre for Social Studies, Surat
7.	Indian Institute of Management, Ahmedabad
8.	Sardar Patel Institute of Economic & Social Research, Ahmedabad
9.	Sarkhej-Gandhinagar Highway, Ahmedabad
Karnataka	
10.	Centre for Multi-Disciplinary Development Research, Dharwar
11.	Indian Institute of Management, Bangalore
12.	Institute of Social & Economic Change, Bangalore
Kerala	
13.	Centre for Development Studies, Thiruvananthapuram
14.	Indian Institute of Management, Kozhikode
Madhya Pradesh	
15.	Dr. Baba Sahib Ambedkar National Institute of Social Sciences, Mhow

16. Indian Institute of Management, Indore
17. Madhya Pradesh Institute of Social Science Research, Ujjain

Maharashtra

18. Indian Institute of Education, Pune

Meghalaya

19. Indian Institute of Management, Shillong

Orissa

20. NKC Centre for Development Studies, Bhubaneswar

Rajasthan

21. Institute of Development Studies, Jaipur

Tamil Nadu

22. Madras Institute of Development Studies, Chennai
23. Madras School of Economics, Chennai

Uttar Pradesh

24. G.B. Pant Social Science Institute, Allahabad
25. Gandhian Institute of Studies, Varanasi
26. Giri Institute of Development Studies, Lucknow
27. Indian Institute of Management, Lucknow

West Bengal

28. Centre for Studies in Social Sciences, Kolkata
29. Indian Institute of Management, Kolkata
30. Institute of Development Studies, Kolkata

Chandigarh

31. Centre for Research in Rural & Industrial Development,
Chandigarh

NCT of Delhi

32. All Indian Council for Technical Education, New Delhi
33. Centre for Policy Research, New Delhi
34. Centre for Study of Developing Societies, Delhi
35. Centre for Women's Development Studies, New Delhi
36. Institute of Economic Growth, Delhi
37. Institute of Studies in Industrial Development, New Delhi
38. National Council for Applied Economic Research, New Delhi
39. National Institute for Public Finance & Policy, New Delhi

Appendix XVI

Task Force No. 1

CONSTITUTIONAL SCHEME OF CENTRE-STATE RELATIONS

S. No.	Name	Designation
1.	Shri Fali S. Nariman, Eminent Jurist, New Delhi	Mentor
2.	Shri P.P. Rao, Senior Advocate, Supreme Court of India, New Delhi	Chairperson
3.	Prof. M.P. Singh, Vice-Chancellor, West Bengal National University of Juridical Sciences, Kolkata (W.B.)	Co-Chairperson
4.	Shri N.C. Saxena, IAS (Retd.), New Delhi	Member
5.	Shri P.K. Doraiswamy, IAS (Retd.), Chennai (T.N.)	Member
6.	Shri Rajeev Dhawan, New Delhi	Member

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| 7. | Prof. Akhtar Majeed,
Director, Centre of Federal
Studies, & Dean, Faculty of
Social Sciences,
Hamdard University,
New Delhi | Member |
| 8. | Dr. Udayon Misra,
Ex-Faculty, Dibrugarh University,
C/o Centre for North East Studies
& Policy Research,
New Delhi | Member |
| 9. | Shri Deepak Jindal,
Chandigarh | Member |

Task Force No. 2

ECONOMIC AND FINANCIAL RELATIONS

S. No.	Name	Designation
1.	Shri T.N. Srivastava, IAS (Retd.), Bhopal (M.P.)	Chairperson
2.	Shri Jagmohan Lal Bajaj, IAS (Retd.), Noida (U.P.)	Co-Chairperson
3.	Dr. N.J. Kurian, Gurgaon (Haryana)	Member
4.	Prof. Tapas Sen, Senior Fellow, National Institute of Public Finance & Policy, New Delhi	Member
5.	Prof. Mala Lalwani, Department of Economics, University of Mumbai, Mumbai (Maharashtra)	Member
6.	Shri Subhash Garg, Finance Secretary, Government of Rajasthan, Jaipur (Rajasthan)	Member
7.	Shri Haseeb Drabu, Chairman & Chief Executive, The J&K Bank Ltd., Srinagar (J&K)	Member

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| 8. | Shri Ajit Seth,
Resident Commissioner,
Government of U.P.,
New Delhi | Member |
| 9. | Shri Sanjay Bhatia,
Immediate Past President,
Punjab, Haryana & Delhi
Chamber of Commerce &
Industry, &
Managing Director,
M/s Hindustan Tin Works Ltd.,
New Delhi | Special Invitee |
| 10. | Shri Krishan Kalra,
Secretary General,
PHD House,
New Delhi | Special Invitee |

Task Force No. 3

UNIFIED AND INTEGRATED DOMESTIC MARKET

S. No.	Name	Designation
1.	Shri P. Murari, IAS (Retd.), Former Secretary to the President of India, Chennai (T.N.)	Chairperson
2.	Shri Gokul Patnaik, M/s Global Agri System Pvt. Ltd., New Delhi	Co-Chairperson
3.	Dr. Bibek Debroy, Professor, International Management Institute, New Delhi	Member
4.	Shri Vivek Bharati, New Delhi	Member
5.	Shri S. Sivakumar, Chief Executive (Agri Business), ITC Ltd. – IBD, Secunderabad (A.P.)	Member
6.	Shri Satya Poddar, M/s Ernst & Young Pvt. Ltd., Gurgaon (Haryana)	Member

7. Shri Salil Bhandari,
Member Managing Committee, &
Chairman MP Committee, &
Senior Partner,
M/s BGJC & Associates,
New Delhi Special Invitee
8. Shri Krishan Kalra,
Secretary General,
PHD House,
New Delhi Special Invitee

Task Force No. 4

LOCAL GOVERNMENTS AND DECENTRALIZED GOVERNANCE

S. No.	Name	Designation
1.	Prof. (Dr.) K. Narayanan Nair, Director, Centre for Development Studies, Thiruvananthapuram (Kerala)	Chairperson
2.	Dr. B.K. Joshi, Dehradun (Uttarakhand)	Co-Chairperson
3.	Dr. Vinod Vyasulu, Centre for Budget & Policy Studies, Bangalore (Karnataka)	Member
4.	Prof. (Dr.) Jose Verghese, New Delhi	Member
5.	Shri R.S. Pandey, Secretary, Ministry of Steel, New Delhi	Member
6.	Shri S.S. Meenakshisundaram, IAS (Retd.), Executive Vice- Chairman, MYRADA, Bangalore (Karnataka)	Member
7.	Smt. Meenakshi Datta Ghosh, IAS (Retd.), New Delhi	Member

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| 8. | Shri O.P. Mathur,
Principal Consultant,
National Institute of
Public Finance & Policy,
New Delhi | Member |
| 9. | Shri T.R. Raghunandan,
Joint Secretary,
Ministry of Panchayati Raj,
New Delhi | Member |
| 10. | Shri Dalbir Singh,
New Delhi | Member |

Task Force No. 5

**CRIMINAL JUSTICE, NATIONAL SECURITY AND CENTRE-
STATE COOPERATION**

S. No.	Name	Designation
1.	Shri Fali S. Nariman, Eminent Jurist, New Delhi	Mentor
2.	Shri Ved Marwah, IPS (Retd.), Honorary Professor, Centre for Policy Research, New Delhi	Chairperson
3.	Shri Kamal Kumar, IPS (Retd.), Hyderabad (A.P.)	Member
4.	Shri Swaranjit Sen, IPS (Retd.), Hyderabad (A.P.)	Member
5.	Dr. Ajay K. Mehra, Director, Centre for Public Affairs, NOIDA (U.P.)	Member
6.	Ms. Madhu Kishwar, Delhi	Member
7.	Shri Sanjoy Hazarika, New Delhi	Member
8.	Dr. S.D. Pradhan, New Delhi	Member
9.	Major General (Retd.) Afsir Karim, New Delhi	Member

Task Force No. 6

**NATURAL RESOURCES, ENVIRONMENT, LAND AND
AGRICULTURE**

S. No.	Name	Designation
1.	Shri Ramaswamy R. Iyer, New Delhi	Chairperson
2.	Prof. Kanchan Chopra, Director, Institute of Economic Growth, Delhi	Member
3.	Dr. S.N. Rai, (IFS (Retd.), Bangalore (Karnataka)	Member
4.	Dr. (Ms.) Ligia Noronha, Director, Resources & Global Security Division, The Energy Research Institute, New Delhi	Member
5.	Shri Alemtemshi Jamir, Principal Secretary & Commissioner, Planning & Development, Government of Nagaland, Kohima (Nagaland)	Member
6.	Dr. (Ms.) Suman Sahai, Gene Campaign, New Delhi	Member
7.	Ms. Madhu Sarin, International Institute for Environment & Development (U.K.), Chandigarh	Member

Task Force No. 7

INFRASTRUCTURE DEVELOPMENT AND MEGA PROJECTS

S. No.	Name	Designation
1.	Shri S.L. Rao, Bangalore (Karnataka)	Chairperson
2.	Shri D. P. Bagchi, IAS (Retd.), Gurgaon (Haryana)	Co-Chairperson
3.	Shri Mukesh Kacker, Chairman & MD, M/s Daughter Infrastructure Consultancy Services Pvt. Ltd., New Delhi	Member
4.	Shri Navin Passey, Managing Director, FOSMA, M/s Wallem Ship Management India Pvt. Ltd., Mumbai (Maharashtra)	Member
5	Shri J.P. Batra, Noida (U.P.)	Member
6.	Shri R. Jeyaseelan, New Delhi	Member
7.	Shri Pradeep Singh, Vice-Chairman & MD, M/s. IDFC Projects Ltd., New Delhi	Member

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| 8. | Shri S.S. Kohli, Chairman & MD,
M/s India Infrastructure Finance
Company Ltd.,
New Delhi | Member |
| 9. | Ms. Vini Mahajan,
Joint Secretary,
Prime Minister's Office,
New Delhi | Member |

Task Force No. 8

**SOCIO-POLITICAL DEVELOPMENTS, PUBLIC POLICY,
GOVERNANCE AND SOCIAL, ECONOMIC AND HUMAN
DEVELOPMENT**

S.No.	Name	Designation
1.	Shri P. Shankar, IAS (Retd.), Chennai (T.N.)	Chairperson
2.	Dr. George Mathew, Institute of Social Sciences, New Delhi	Co-Chairperson
3.	Prof. Niraja Gopal Jayal, New Delhi	Member
4.	Dr. Shiv Vishwanathan, Dhirubhai Ambani Institute for Information & Communication Technology, Gandhi Nagar (Gujarat)	Member
5.	Dr. Rekha Saxena, Reader, Centre for Federal Studies, Jamia Hamdard University, New Delhi	Member
6.	Shri R.M. Sharma, Former Additional Secretary, & Chairman, Adjudicating Authority, Prevention of Money Laundering, New Delhi	Member
7.	Ms. Patricia Mukhim, Shillong (Meghalaya)	Member

Appendix XVII

**Address delivered by Shri Justice Madan Mohan Punchhi (Retd.),
Chairperson, on June 30, 2008, at the Plenary Meeting of the Task
Forces Constituted by the Commission on Centre-State Relations**

It is indeed a moment of great satisfaction for me to address a gathering of such eminence. To all of you, who have responded to our request to be part of the intellectual capital on which the Commission could draw upon, I extend a hearty welcome. You have all agreed to spare your precious time and to labour with us. For this the Commission is grateful to you. The Terms of Reference of the Commission (which have been annexed to the Questionnaire and is already with you) indicate the wide sweep of the Commission's mandate. To approach our work coherently, we needed to gather the different strands which form the Terms of Reference, and put them together into distinct subjects for the purpose of our deliberations. These numbered nine and consequently we have nine Task Forces. Membership of each Task Force is based on the expertise and the work-experience of the individual according to the information available with us. Depending on institutional affiliation and availability we requested one or two persons in each Task Force to take the responsibility of chairing and coordinating the work between the groups and the Commission. We hope the arrangement is satisfactory and acceptable to all the Members.

2. It is not my intention to elaborate on our Constitutional structure and its functioning. Suffice it to say that the prophets of doom who saw the Republic crashing in a few years, if not month, have all proven to be wrong. On the contrary in spite of our various deficiencies the question uppermost in our mind today is not whether but when, India takes its place as a major power in the comity of nations. The Commission, however, needs to envision a framework within which to deliberate upon and to finally draw up its recommendations. Certain truths are for all time. A few we may dwell upon. Both Dr. Ambedkar, moving the Resolution for adoption of the Constitution on November 25, 1949, and Dr. Rajendra Prasad, the President of the Constituent Assembly, in his remarks whilst putting the Motion to vote on the subsequent day, drew attention to these and I would like to recall them, as I believe that they have a bearing on the approach towards our task. Quoting Jefferson, the American Statesman, Dr. Ambedkar said that although each generation has a right by the Will of the majority to bind itself but none has the

authority to bind the succeeding generations. The Constitution is a living document and must serve the needs of all generations. Times change and so must the laws. In the brief introductory to the Questionnaire that we have prepared, the Commission has sought to identify some of the changes which have occurred since the Commission under Justice Sarkaria, which was the first Commission on Centre-State Relations, submitted its report. There may be other important developments which we may have overlooked and these too would need to be identified. Once there is clarity on the emerging challenges we would be able to get down to suggesting how these could be addressed through the Constitutional provisions as they stand or perhaps by modification if need be.

3. The focus of this Commission is on Centre-State relations. The Constitution makers were very much aware of the need to have a delicate balance of powers between the Centre and the constituent units. Dr. Ambedkar drew attention to the serious complaint which was being made even when the Constitution was being adopted that there is too much centralization and that the “States have been reduced to municipalities”. However, the important thing he said is not that one has a wider field than the other but that there is division of the legislative and the executive authority between the Centre and the units and that this division is laid down in the Constitution. It would be wrong to say that the States have been placed under the Centre. This was the essence of federalism. It was only in exceptional circumstances that the Centre could over-ride the States because, in times of crisis, the citizen should not be left in any doubt whatsoever as to where his loyalty should lie. We need to see if this Constitutional arrangement has been preserved and at what cost.

4. There can be no compromise with the independence and integrity of the country. This would depend on how the leaders see their responsibilities and in a democratic system they are nurtured by political parties. It does not matter that there was a single party in the years following independence and now when coalition politics has become more or less the norm. Similarly, democracy can only be nurtured if Constitutional methods are always adhered to. This is an ideal which needs to be reiterated time and again as we are observing its break down practically every day.

5. The Terms of Reference of the Commission enjoin it to look at the Constitutional mechanisms on Centre-State relations as they have evolved and also to suggest changes in the arrangements in the light of economic and social developments, and to bring about good governance for the benefit of society. No matter what the Constitutional provisions, Dr. Rajendra Prasad had warned, the welfare of the country will depend on how it is administered. The aspect of good governance needs to be

highlighted. Most of the ills of present day society can be ascribed to deficient executive action and is the reason why political freedom has not led to social justice and why fraternity amongst people has evaded us. We need to address the appropriate role which needs to be played by the Centre, the States and the Panchayats and Municipalities, the third tier of our Constitutional structure, and how it can be ensured that there is synergy amongst them.

6. The Commission has a daunting task and I would like to share some thoughts with you on how the Commission, its Secretariat and the Task Forces may work together and benefit from one and another's experience. The Commission hopes to interact with State Governments, Union Ministries, major political parties, constitutional and legal experts, interested individuals, academic institutions and non-governmental organizations etc. We have already finalized the Questionnaire which has been sent to all stakeholders. The Commission would also be sponsoring studies on topics concerned with our Terms of Reference. The responses of the various stakeholders and the conclusions of the studies would be shared with the Task Forces to elicit their comments and views on the responses as well as their own independent views. In short, we would like you to be our knowledge partners.

7. There has been a knowledge explosion and a vast amount of scholarship is available on the subjects comprising our Term of Reference. These are in published literature, articles, the internet, reports of other Commissions, recommendations of Parliamentary Committees and pronouncement of the Supreme Court. We hope that by interacting with you we would be able to identify those sources of information which will help us in deliberating upon topics of our concern. Of special interest to us would be the literature relating to other federal systems which delineate relations between the federal governments and constituent states.

8. The Questionnaire that we have issued has been prepared after an interactive process, in as much as a draft was initially circulated to a large number of stakeholders and their comments received before we formulated the questions in the way they are now presented. However, many issues of importance impacting on Centre-State relations would not have been translated into Questions but they would nevertheless require in-depth examination. We hope that the Task Forces would be able to identify such issues and give them the attention they deserve in the scheme of things. It is important that this is attempted in the initial stages of the meetings of the Task Forces.

9. It was our intention that the Task Forces could start functioning even prior to the finalization of the Questionnaire so that we could have had your inputs in that exercise as well. However, this was not to be. Even now we are receiving suggestions and perhaps if the numbers are significant and the Task Forces also identify issues which could be put across to stakeholders as questions, it would be desirable for us to issue a supplementary Questionnaire. This too needs to be done in the early stages of your deliberations.

10. The entire exercise is with a view to focusing on the Terms of Reference, analyzing the inputs and to come up with a report and recommendations which would be of use to the Governments both Central and State as also Panchayats and Municipalities and which would leave a lasting impact on good governance. The conclusions and recommendations of the Task Forces would be of immense importance and would help the Commission in drawing up its final recommendations.

11. We in the Commission would now be glad to hear your views in the matter so that our interaction becomes meaningful and satisfying to all participants.

12. Once again, a very warm welcome to all of you.

Appendix XVIII

Regional Consultations

1. Thiruvananthapuram, Kerala : March 10, 2008 & March 11, 2008

1. Shri R.L. Bhatia, Hon'ble Governor of Kerala
2. Shri V.S. Achutanandan, Hon'ble Chief Minister, Kerala
3. Dr. Thomas Issac, Hon'ble Minister of Finance, Kerala
4. Shri Paloli Mohamed Kutty, Hon'ble Minister for Local Self Government and Rural Development, Kerala
5. Shri V.J. Thankappan, MLA, former Minister for Local Self Government, Kerala

Kerala

6. Shri Vijayanand, Secretary, Local Self Government and Rural Development
7. Prof. M.A. Oomen
8. Shri T. Gangadharan
9. Shri M. Jose

Andhra Pradesh

10. Shri Umamaheswara Rao, Director, SIRD
11. Shri Ashok Kumar, Osmania University
12. Shri Solipeta Ramachandra Reddy
13. Shri Banthala Chandra Reddy

Karnataka

14. Shri S.S. Meenakshisundaram, Deputy Chairman, State Planning Board
15. Shri Chiranjeev Singh, IAS (Retd.)
16. Ms. Suman Kolhar, President, Zila Parishad, Bijapur
17. Dr. Vinod Vyasulu
18. Dr. N. Sivanna
19. Shri Ashokanand
20. Shri Venkatrao Ghorpade

Tamil Nadu

21. Shri Venkatraman, Commissioner, Rural Development and Training
22. Dr. Ganesh Prasad, Madras Institute of Development Studies
23. Prof. G. Pallanithurai
24. Prof. K.K. Subramanian
25. Ms. Vanaja, N.G.O. Trust
26. Ms. Bimla
27. Shri Elango R.
28. Representative from Gandhigram Institute

Puducherry

29. Shri V.A. Vasudevaraju
30. Shri E. Vallavan

Government of India

31. Shri M. Ramachandran, Secretary, Ministry of Urban Development
32. Ms. Sushma Singh, Secretary, Ministry of Panchayati Raj

Commission's Subject Matter Experts

33. Dr. K. Narayanan Nair, Director, Centre for Development Studies, Thiruvananthapuram
34. Shri V. Ramachandran, Former Chief Secretary, Kerala; Member of Second ARC; Chairman, Centre for Management Development, Thiruvananthapuram
35. Shri Amarendra Das, Centre for Development Studies, Thiruvananthapuram
36. Shri William Joe, Centre for Development Studies, Thiruvananthapuram
37. Shri Braja Bandhu Swain, Centre for Development Studies, Thiruvananthapuram
38. Shri Vijay Korra, Centre for Development Studies, Thiruvananthapuram

2. Shillong, Meghalaya: September 30, 2008 & October 01, 2008

1. Shri R.S. Mooshahary, Hon'ble Governor of Meghalaya
2. Dr. Donkumar Roy, Hon'ble Chief Minister, Meghalaya
3. Shri P.A. Sangma, former Speaker, Lok Sabha, and Chairman, State Planning Board, Meghalaya
4. Shri B. Lanong, Speaker, Legislative Assembly, Meghalaya

Meghalaya

5. Shri Ranjan Chatterjee, Chief Secretary
6. Shri V.S. Oberoi, APC and Principal Secretary (Forests and Environment)
7. Shri Barkos Wajiri, Principal Secretary (Planning)
8. Shri C.D. Kynjing, Commissioner and Secretary, District Councils Affairs
9. Shri Kuldeep Krishan, Addl. DGP
10. Shri A.K. Mathur, Addl. DGP
11. Shri Hambertus Nongtdu, Chief Executive Member, Jaintia Hills Autonomous District Councils
12. Shri A.A. Sangma, Chief Executive Member, Garo Hills Autonomous District Councils
13. Shri M.B. Rymbai, JHAZOC, Jowai
14. Dr. Pramod Tandon, Vice-Chancellor, North-Eastern Hill University, Shillong
15. Prof. Rooplekha Bongolair, Dean, School of Social Sciences, North-Eastern Hill University, Shillong
16. Prof. L.S. Gassah, Prof. & Head, Department of Political Science, North-Eastern Hill University, Shillong
17. Prof. David Syemlieh and his colleagues, North-Eastern Hill University, Shillong
18. Shri Ronnie V. Lyngdoh, 5th Mile, Upper Shillong
19. Dr. Sanjeeb Kakoty, Motinagar, Shillong

Arunachal Pradesh

20. Shri Deepak Mishra, IGP
21. Shri Tomi Ete, Chief Engineer (D&P), PWD
22. Ms. Jarjum Ete, Civil Society Representative, 1/V, Vivek Vihar, Itanagar

Assam

23. Shri J.P. Meena, Principal Secretary, Welfare, Planning, Tribes and Backward Classes
24. Dr. Prem Saran, Commissioner & Secretary, Hill Area Development
25. Shri R.S. Prasad, Secretary, Planning & Development
26. Shri G.K. Pathak, Addl. DGP (Law & Order)
27. Shri Bora, IGP
28. Shri Debojit Thaosen, Executive Member, North Cachar Hills Autonomous Council
29. Shri Mahendra K. Nanisa, Executive Member, North Cachar Hills Autonomous Council
30. Representative, North Cachar Hills
31. Shri Joyram Englang, Chairman, Karbi Anglong Autonomous Council
32. Shri Rupsing Jisno, Karbi Anglong Autonomous Council
33. Shri Carol Nazary, Secretary, Bodoland Territorial Council
34. Shri Debasish Bhattacharya, Department of Political Science, Assam University, Silchar

Manipur

35. Shri P.C. Lawmkunua, Principal Secretary (Tribal Development) & District Commissioner
36. Shri V. Vumlunmang, Secretary (Horticulture) & Special Secretary (Home & Finance)
37. Shri Y. Rameshchandra Singh, Deputy Secretary (Law)
38. Shri N. Mohendro Singh, Professor of Economics (Retd.), University of Manipur
39. Prof. Konsam Ibo Singh, Department of Political Science, University of Manipur
40. Shri Amar Yumnam, University of Manipur

Mizoram

41. Shri M.P. Sinthanga, Addl. Secretary, Law & Judicial
42. Shri K.K. Maheshwari, IGP
43. Shri C.Thanghluna, Chief Executive Member, Lai Autonomous District Council
44. Shri Lallawmsunga, Liaison Officer and AP&DO, Lai Autonomous District Council
45. Shri M. Laikaw, Chief Executive Member, Mara Autonomous District Council

46. Shri Budha Lila Chakma, Executive Member, Chakma Autonomous District Council
47. Dr. (Ms.) Padmalaya Mahapatra, Reader & Head, Department of Political Science, Mizoram University

Nagaland

48. Shri Lalhuma, Chief Secretary
49. Shri M. Benganukshi, President, Mokokchung Chambers of Commerce and Industry
50. Shri Charles Chasie, Civil Society Representative

Sikkim

51. Shri S.K. Gautam, Special Secretary, Development & Planning
52. Shri Sonam Y. Lepcha, Joint Secretary, Development & Planning
53. Shri Abhijit Datta, Addl. DGP

Tripura

54. Shri S.K. Panda, Principal Secretary, Home & Revenue
55. Shri S.K.Das, Commissioner & Secretary, Tribal Welfare Department and CEO, TTAADC
56. Shri Kashi Nath Jha, Department of Political Science, Tripura University

Government of India

57. Shri Falguni Rajkumar, Secretary, North-Eastern Council
58. Lt. Gen. K.S. Yadava, Director General, Assam Rifles
59. Shri T.R. Raghunandan, Joint Secretary, Ministry of Panchayati Raj
60. Shri A.K. Goyal, Director, Ministry of Home Affairs
61. Shri Pankaj Asthana, Director, Ministry of Development of North-Eastern Region

Commission's Subject Matter Experts

62. Shri M.P. Bezbaruah, former Home Secretary, Assam, and former Tourism Secretary, Govt. of India
63. Shri Sanjoy Hazarika, Centre for North-Eastern Studies & Policy Research and Member, Task Force on 'Criminal Justice, National Security and Centre-State Cooperation' of the CCSR

3. Chandigarh : December 10, 2008 & December 11, 2008

1. Dr. A.R. Kidwai, Hon'ble Governor of Haryana
2. General (Retd.) S.F. Rodrigues, PVSM, VSM, Hon'ble Governor, Punjab
3. Shri Bhupinder Singh Hooda, Hon'ble Chief Minister, Haryana
4. Shri Manpreet Singh Badal, Hon'ble Finance Minister, Punjab

Punjab

5. Shri Ramesh Inder Singh, Chief Secretary
6. Shri H.S. Mattewal, Advocate General
7. Shri J.S. Bajaj, Vice Chairman, Planning Board
8. Shri S.C. Agrawal, Principal Secretary (Finance)
9. Shri B.K. Srivastava, Director General, Mahatma Gandhi Institute of Public Administration
10. Shri R.C. Sobti, Vice-Chancellor, Panjab University, Chandigarh
11. Shri V.K. Bansal, former Chairman, Law Department, Panjab University, Chandigarh
12. Prof. Gopal Krishnan, Professor of Geography (Emeritus), Panjab University, Chandigarh
13. Dr. Ashutosh Kumar, Panjab University, Chandigarh
14. Dr. Ronki Ram, Panjab University, Chandigarh
15. Prof. Manjit Singh, Panjab University, Chandigarh
16. Prof. Surya Kant, Panjab University, Chandigarh
17. Dr. S.S. Gill, Professor of Economics, Punjabi University, Patiala

Haryana

18. Shri Dharam Vir, Chief Secretary

19. Shri Ajit Mohan Sharan, Financial Commissioner & Principal Secretary (Finance)
20. Shri M.S. Sullar, Legal Remembrancer & Secretary
21. Shri Y.S. Malik, Commissioner & Secretary (Industry)
22. Dr. Mahavir Singh, Director, Local Government Department
23. Prof. R.K. Gupta, Professor of Law, Kurukshetra University
24. Prof. Mohinder Singh, Professor of Public Administration, Kurukshetra University
25. Dr. M.M. Goyal, Professor of Economics, Kurukshetra University
26. Dr. Kuldeep Singh, Professor of Economics, Kurukshetra University
27. Shri V.N. Attri, Professor of Economics, Kurukshetra University
28. Prof. C.P. Sheoran, Head & Dean, Faculty of Law, Maharishi Dayanand University, Rohtak
29. Prof. Surendra Kumar, Professor of Economics & Dean of Academic Affairs, Maharishi Dayanand University, Rohtak

Himachal Pradesh

30. Ms. Asha Swaroop, Chief Secretary
31. Shri V.C. Pharka, Principal Secretary(YSS & Sports)
32. Shri Srikant Baldi, Secretary (Rural Development & Panchayati Raj)
33. Shri Anil Khachi, Secretary (Elections)
34. Shri Akshay Sood, Special Secretary (Finance)
35. Shri R.N. Sharma, Addl. Excise & Taxation Commissioner
36. Shri Amitabh Awasthi, Commissioner, Municipal Corporation, Shimla
37. Shri Harish Janartha, Deputy Mayor, Municipal Corporation, Shimla
38. Prof. Suresh Kapoor, Chairperson & Dean, Law Department, Himachal Pradesh University, Shimla
39. Dr. Sanjeev Mahajan, Chairperson, Department of Public Administration, Himachal Pradesh University, Shimla

40. Prof. Shiv Raj Singh, Professor of Public Administration & Dean of Faculty of Social Sciences, Himachal Pradesh University, Shimla

Jammu & Kashmir

41. Shri S.L. Bhat, Financial Commissioner (Planning & Development)
42. Shri A.H. Kochak, Principal Secretary (Law)
43. Mohammad Syed Khan, Secretary (Rural Development)
44. Shri B.B. Vyas, Commissioner & Secretary
45. Prof. Riyaz Punjabi, Vice-Chancellor, Kashmir University
46. Prof. Mohammad Altaf Mir, Law Department, Kashmir University
47. Shri B.P. Sehgal, Dean of Academic Affairs, Jammu University

Commission's Subject Matters Experts

48. Shri R.R. Shah, former Member Secretary, Planning Commission, Govt. of India
49. Shri N.K. Arora, former Chief Secretary, Govt. of Punjab
50. Dr. George Mathew, Founder Director, Institute of Social Sciences, New Delhi
51. Shri Promod Kumar, Director, Institute for Development and Communication
52. Shri Ajay Mehra, Professor, Jamia Milia Islamia University, New Delhi
53. Dr. Rekha Saxena, Associate Professor, Centre for Federal Studies, Hamdard University, New Delhi
54. Prof. A.S. Narang, Indira Gandhi National Open University, New Delhi
55. Dr. Anjan Roy, Advisor (Economics & Research), Federation of Indian Chambers of Commerce & Industry
56. Shri Kanwar Sandhu, Resident Editor, The Hindustan Times, Chandigarh

4. Bhubaneswar, Orissa: January 20, 2009 & January 21, 2009

1. Shri M. C. Bhandare, Hon'ble Governor of Orissa
2. Shri Raghunath Mohanty, Hon'ble Minister for Panchayati Raj and Parliamentary Affairs, Orissa

Orissa

3. Shri Ajit Kumar Tripathy, Chief Secretary
4. Shri G.V.V. Sarma, Commissioner-cum-Secretary, Department of ST & SC Development
5. Shri A.M. Dalwai, Commissioner-cum-Secretary, Department of Mines
6. Shri Priyanath Padhy, Special Secretary (Environment & Forests)
7. Shri Naik, Additional Secretary (Mines)
8. Shri Man Mohan Praharaj, DGPS
9. Shri S.C. Mohanty, PCCF
10. Dr. B.K. Mishra, Secretary, State Pollution Control Board
11. Shri Shatanu Mohapatra, former Director, Department of Mines
12. Prof. A.B. Ota, Director, SC & ST Research and Training Institute
13. Prof. F. Mustaffa, Department of Law, KIIT School of Law, Bhubaneswar
14. Prof. Radha Mohan, former Information Commissioner
15. Shri L.N. Pattnaik, former Chairman, State Pollution Control Board
16. Shri S.S. Khuntia, former Director, SAIL
17. Prof. Bhawani Prasad Panda, Prof. & HOD, Department of Law, Berhampur University
18. Prof. L.N. Mishra, former Vice-Chancellor, Utkal University
19. Shri Joe Madiath, NGO Social Worker, Gram Vikas, Orissa

Bihar

20. Shri Afzal Amanullah, Secretary (Home)
21. Shri Shishir Sinha, Secretary (Environment & Forests)
22. Dr. M.K. Sharma, PCCF
23. Shri Parshuram Ram, State Pollution Control Board
24. Dr. M.L. Sahu, IMD
25. Shri Sanjay Singh, Correspondent, "The Tribune"

Chhattisgarh

26. Shri P. Joy Oommen, Chief Secretary
27. Shri S. Minj, Addl. Chief Secretary (Forests)
28. Shri N. Baijendra Kumar, Principal Secretary (Environment)
29. Shri A.N. Upadhyaya, IGP (Bastar)
30. Shri P.V. Narsimha Rao, Member Secretary, Chhattisgarh Environment Control Board
31. Shri U.K. Singh, CCF
32. Shri V.K. Mishra, Joint Director, Directorate of Geological and Mineral Exploration
33. Shri S.K. Sinha, Deputy Director, Department of Mines

Jharkhand

34. Shri A.K. Basu, Chief Secretary
35. Shri C.R. Sahaya, PCCF
36. Shri S.N. Pradhan, IGP (Provision)
37. Shri Shankar Kumar Sinha, Deputy Director, Department of Mines
38. Dr. D.S. Srivastava, Retired Professor

Madhya Pradesh

39. Shri Prashant Mehta, Addl, Chief Secretary & Principal Secretary (Forests)
40. Shri Alok Srivastava, Principal Secretary (Housing & Environment)
41. Shri Sanjay Rana, Secretary (Home)
42. Shri S.K. Mishra, Secretary (Mines)
43. Shri Sanjeev Kumar Singh, IGP (Law & Order and Security)
44. Shri P.B. Gangopadhyaya, PCCF
45. Shri S.P. Gautam, MP Pollution Control Board

West Bengal

46. Shri Ardhendu Sen, Principal Secretary (Home)
47. Shri M.L. Meena, Principal Secretary (Environment)
48. Shri Sabyasachi Sen, Principal Secretary (Commerce & Industry)
49. Shri R.D. Meena, Secretary (Welfare of SCs / STs)
50. Shri Bhaskar Khulbe, Senior Officer
51. Shri A.K. Raha, PCCF
52. Prof. A.N. Basu, Chairman, State Pollution Control Board
53. Dr. (Ms.) Joyashree Roy, Professor, Department of Economics, Jadavpur University, Kolkata

Government of India

54. Ms. Ajita Vajpayee Pande, Joint Secretary, Ministry of Mines
55. Shri T. Kumar, Director, Indian School of Mining, Dhanbad, Jharkhand
56. Dr. G.K. Pandey, Adviser, Ministry of Environment and Forests

Commission's Subject Matter Experts

57. Dr. Prodipto Ghosh, former Secretary, Ministry of Environment & Forests, Govt. of India, and Distinguished Fellow, The Energy Research Institute, New Delhi
58. Shri B. Sengupta, former Member-Secretary, Central Pollution Control Board, Ministry of Environment & Forests, Govt. of India
59. Shri R.K. Sharma, Secretary General, FIMI

5. Dehradun, Uttarakhand: July 07, 2009

1. Shri B.L. Joshi, Hon'ble Governor of Uttarakhand

Uttarakhand

2. Shri I.K.Pande, Chief Secretary
3. Shri N.S.Napalchyal, Additional Chief Secretary
4. Shri Alok Kumar Jain, Principal Secretary [Finance]
5. Shri P.C.Sharma, Principal Secretary [Industry]
6. Shri Subash Kumar, Principal Secretary [Home] & Principal Secretary to Hon'ble Chief Minister
7. Shri Keshav Desiraju, Principal Secretary [Medical & Health]
8. Shri Rajeev Chandra, Secretary [GAD]
9. Smt. Radha Raturi, Secretary [Planning]
10. Shri Anup Wadhawan, Secretary [UD & E&F]
11. Shri L.M.Pant, Secretary [Finance]
12. Shri U.K.Singh, Secretary [PWD & Tourism]
13. Dr. R.P.S.Rawat, Principal Chief Conservator of Forests [PCCF]
14. Shri D.V.S.Khati, Chief Conservator of Forests
15. Dr. B.K.Joshi, Ex-Vice-Chancellor, Kumaun University
16. Dr. [Cdr.] B.M.Dimri, Director- cum- Professor, University of Petroleum & Energy Studies, Dehradun

Jammu & Kashmir

17. Shri S.S.Kapur, Chief Secretary

Himachal Pradesh

18. Shri K.K.Pant, Secretary [Planning]
19. Shri D.R.Bushehri, Adviser [Planning]

Government of India

20. Shri J.S. Negi, Adviser, Planning Commission

Commission's Subject Matter Experts

21. Shri Rajesh Arya, Deputy Director, Lal Bahadur Shastri National Academy of Administration, Mussoorie

6. Goa : July 13, 2009 & July 14, 2009

1. Shri S.S. Sidhu, Hon'ble Governor of Goa
2. Shri Digambar Kamat, Hon'ble Chief Minister, Goa
3. Hon'ble Home Minister, Goa

Goa

4. Shri Hauzel Haukhum, Chief Secretary
5. Shri Narendra Kumar, Commissioner & Secretary (Transport)
6. Shri Vallabh Kamat, Commissioner (Sales Tax & Commercial Taxes)
7. Shri Ajit Srivastava, Secretary
8. Shri V.K. Jha, Secretary
9. Shri C.P. Tripathi, Secretary(PWD)
10. Shri Anupam Kishore, Joint Secretary
11. Shri Sunil Masurkar, Director(Civil Supplies)
12. Shri Anand Sherkhane, Director(Planning)
13. Shri Raajiv Yaduvanshi, Secretary to Hon'ble Chief Minister, Goa
14. Shri A.M. Wachasundar, PCE, PWD
15. Shri A.V. Palekar, MD, Goa, IDC
16. Shri A.B. Ulieh, Secretary, Law Commission, Goa
17. Shri Prem Kumar, Goa Engineering Department
18. Dr. M. Pinheiro, Principal, Salgaocar Law College, Goa
19. Shri B.S. Patil, Professor, Salgaocar Law College, Goa
20. Shri D. Gawandi, ASI, Panji Police Station,Goa
21. Shri M.P. Raikar, Vice President, GCCCI

22. Air Cmdr. P.K. Pinto, DG, GCCI

23. Shri Ramakant Khalap, Ex- MLA

24. Shri Sanjeet Rodrigues

Gujarat

25. Shri Arvind Aggarwal, MD, Gujarat Industrial Development Corporation

Maharashtra

26. Shri S.K. Goel, Principal Secretary (Cooperation & Marketing)

27. Shri U.P.S. Madan, Project Manager, MTSU, AIILSG, Mumbai

28. Ms. Jyoti Mhapsekar, Secretary, Stree Mukti Sangathan, Mumbai

Rajasthan

29. Ms. Gurjyot Kaur, Principal Secretary (Planning)

30. Shri N.K. Sharma, Chief Engineer, PWD

31. Ramesh Arora, Rajasthan University

32. Shri Tanmay Kumar

Commission's Subject Matter Experts

33. Shri D.P. Bagchi, IAS (Retd.), former Chief Secretary, Orissa

34. Ms. Vineeta Rai, IAS (Retd.), former Member Secretary, ARC

35. Shri Amrut Kansar, Ex- MP and Constitutional Law Expert

36. Shri Dipankar Gupta, Professor, JNU, New Delhi

37. Shri Bibek Debroy, Professor, IMI

38. Professor M.R.K. Prasad

7. Lucknow, Uttar Pradesh : July 21, 2009

1. Shri Shashank Sekher Singh, Cabinet Secretary
2. Shri Atul Kumar Gupta, Chief Secretary
3. Shri Vijay Shankar Pandey, Addl. Cabinet Secretary
4. Shri S.M. Abdi, Principal Secretary (Law)
5. Shri R.K. Sharma, Principal Secretary (Panchayati Raj)
6. Ms. Nita Choudhary, Principal Secretary (Planning)
7. Shri Alok Ranjan, Principal Secretary (Urban Development)
8. Shri Manjit Singh, Principal Secretary (Finance)
9. Shri Shailesh Krisan, Principal Secretary to Chief Minister
10. Dr. J.N. Chambar, Principal Secretary to Chief Minister
11. Shri Kunwar Fateh Bahadur, Principal Secretary (Home)
12. Shri Arun Kumar Sinha, Principal Secretary (Irrigation)
13. Shri Vikram Singh, Director General of Police
14. Shri Pratap Virendra Kushwaha, Secretary (Legal)
15. Ms. Deepika Duggal, Principal Secretary (GAD)
16. Prof. Balraj Chauhan, Chancellor, Dr. Ram Manohar Lohiya National Law University, Lucknow, U.P.

Appendix XIX

MEETINGS OF THE COMMISSION

S.No.	Meeting No.	Date
1.	First Meeting	May 17, 2007
2.	Second Meeting	June 5 , 2007
3.	Third Meeting	August 24, 2007
4.	Fourth Meeting	October 30, 2007
5.	Fifth Meeting	November 19, 2007
6.	Sixth Meeting	December 10-14, 2007
7.	Seventh Meeting	December 26-28, 2007
8.	Eighth Meeting	January 15-16, 2008
9.	Ninth Meeting	January 29, 2008
10.	Tenth Meeting	February 13, 2008
11.	Eleventh Meeting	February 15, 2008
12.	Twelfth Meeting	March 7, 2008
13.	Thirteenth Meeting	March 18, 2008
14.	Fourteenth Meeting	April 8, 2008
15.	Fifteenth Meeting	May 13, 2008
16.	Sixteenth Meeting	May 23, 2008
17.	Seventeenth Meeting	June 16, 2008
18.	Eighteenth Meeting	July 1, 2008
19.	Nineteenth Meeting	July 15, 2008
20.	Twentieth Meeting	August 5-6, 2008
21.	Twenty-first Meeting	August 26, 2008
22.	Twenty-second Meeting	September 19, 2008
23.	Twenty-third Meeting	October 23, 2008

24.	Twenty-fourth Meeting	November 11, 2008
25.	Twenty-fifth Meeting	December 2-3, 2008
26.	Twenty-sixth Meeting	December 16, 2008
27.	Twenty-seventh Meeting	January 18, 2009
28.	Twenty-eighth Meeting	February 17, 2009
29.	Twenty-ninth Meeting	February 26, 2009
30.	Thirtieth Meeting	March 12, 2009
31.	Thirty-first Meeting	March 31, 2009
32.	Thirty-second Meeting	May 12, 2009
33.	Thirty-third Meeting	June 2, 2009
34.	Thirty-fourth Meeting	June 15, 2009
35.	Thirty-fifth Meeting	July 6, 2009
36.	Thirty-sixth Meeting	August 11, 2009
37.	Thirty-seventh Meeting	August 25, 2009
38.	Thirty-eighth Meeting	September 17, 2009
39.	Thirty-ninth Meeting	October 29, 2009
40.	Fortieth Meeting	December 1, 2009
41.	Forty-first Meeting	December 22, 2009
42.	Forty-second Meeting	February 4, 2010
43.	Forty-third Meeting	February 17, 2010
44.	Forty-fourth Meeting	February 25, 2010
45.	Forty-fifth Meeting	March 19, 2010
46.	Forty-sixth Meeting	March 27, 2010
47.	Forty-seventh Meeting	March 31, 2010

Appendix XX

MEETINGS OF MEMBERS OF THE COMMISSION

S.No.	Meeting No.	Date
1.	First Meeting	June 5, 2007
2.	Second Meeting	July 5, 2007
3.	Third Meeting	July 6, 2007
4.	Fourth Meeting	July 11, 2007
5.	Fifth Meeting	August 2, 2007
6.	Sixth Meeting	August 7, 2007
7.	Seventh Meeting	August 13, 2007
8.	Eighth Meeting	August 17, 2007
9.	Ninth Meeting	August 20, 2007
10.	Tenth Meeting	August 21, 2007
11.	Eleventh Meeting	August 22, 2007
12.	Twelfth Meeting	August 29, 2007
13.	Thirteenth Meeting	August 30, 2007
14.	Fourteenth Meeting	September 5, 2007
15.	Fifteenth Meeting	September 7, 2007
16.	Sixteenth Meeting	September 24, 2007
17.	Seventeenth Meeting	September 25, 2007
18.	Eighteenth Meeting	October 11, 2007
19.	Nineteenth Meeting	October 24, 2007
20.	Twentieth Meeting	October 30, 2007
21.	Twenty-first Meeting	November 16, 2007
22.	Twenty-second Meeting	December 5, 2007
23.	Twenty-third Meeting	December 6, 2007
24.	Twenty-fourth Meeting	January 3, 2008
25.	Twenty-fifth Meeting	March 5, 2008

Report of the Commission on Centre-State Relations

26.	Twenty-sixth Meeting	March 26, 2008
27.	Twenty-seventh Meeting	June 6, 2008
28.	Twenty-eighth Meeting	June 12, 2008
29.	Twenty-ninth Meeting	July 21, 2008
30.	Thirtieth Meeting	August 19, 2008
31.	Thirty-first Meeting	October 20, 2008
32.	Thirty-second Meeting	October 22, 2008
33.	Thirty-third Meeting	November 7, 2008
34.	Thirty-fourth Meeting	November 12, 2008
35.	Thirty-fifth Meeting	November 19, 2008
36.	Thirty-sixth Meeting	November 24, 2008
37.	Thirty-seventh Meeting	December 1, 2008
38.	Thirty-eighth Meeting	January 2, 2009
39.	Thirty-ninth Meeting	January 30, 2009
40.	Fortieth Meeting	February 1, 2009
41.	Forty-first Meeting	February 3, 2009
42.	Forty-second Meeting	February 5, 2009
43.	Forty-third Meeting	March 5, 2009
44.	Forty-fourth Meeting	March 9, 2009
45.	Forty-fifth Meeting	April 15, 2009
46.	Forty-sixth Meeting	April 23, 2009
47.	Forty-seventh Meeting	May 15, 2009
48.	Forty-eighth Meeting	May 18, 2009
49.	Forty-ninth Meeting	May 19, 2009
50.	Fiftieth Meeting	May 21, 2009
51.	Fifty-first Meeting	June 5, 2009
52.	Fifty-second Meeting	July 10, 2009
53.	Fifty-third Meeting	July 20, 2009
54.	Fifty-fourth Meeting	July 22, 2009

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55.	Fifty-fifth Meeting	August 12, 2009
56.	Fifty-sixth Meeting	August 13, 2009
57.	Fifty-seventh Meeting	August 17, 2009
58.	Fifty-eighth Meeting	August 18, 2009
59.	Fifty-ninth Meeting	August 20, 2009
60.	Sixtieth Meeting	August 21, 2009
61.	Sixty-first Meeting	August 24, 2009
62.	Sixty-second Meeting	August 28, 2009
63.	Sixty-third Meeting	August 31, 2009
64.	Sixty-fourth Meeting	September 2, 2009
65.	Sixty-fifth Meeting	September 3, 2009
66.	Sixty-sixth Meeting	September 7, 2009
67.	Sixty-seventh Meeting	September 8, 2009
68.	Sixty-eighth Meeting	September 9, 2009
69.	Sixty-ninth Meeting	September 10, 2009
70.	Seventieth Meeting	September 14, 2009
71.	Seventy-first Meeting	September 22, 2009
72.	Seventy-second Meeting	September 23, 2009
73.	Seventy-third Meeting	September 24, 2009
74.	Seventy-fourth Meeting	September 25, 2009
75.	Seventy-fifth Meeting	October 5, 2009
76.	Seventy-sixth Meeting	October 16, 2009
77.	Seventy-seventh Meeting	October 19, 2009
78.	Seventy-eighth Meeting	October 20, 2009
79.	Seventy-ninth Meeting	October 27, 2009
80.	Eightieth Meeting	October 28, 2009
81.	Eighty-first Meeting	November 5, 2009
82.	Eighty-second Meeting	November 13, 2009
83.	Eighty-third Meeting	January 5, 2010

84.	Eighty-fourth Meeting	January 6, 2010
85.	Eighty-fifth Meeting	January 7, 2010
86.	Eighty-sixth Meeting	January 11, 2010
87.	Eighty-seventh Meeting	January 13, 2010
88.	Eighty-eighth Meeting	January 15, 2010
89.	Eighty-ninth Meeting	January 18, 2010
90.	Nintieth Meeting	January 25, 2010
91.	Ninety-first Meeting	February 1, 2010
92.	Ninety-second Meeting	February 3, 2010
93.	Ninety-third Meeting	February 5, 2010
94.	Ninety-fourth Meeting	February 9, 2010
95.	Ninety-fifth Meeting	February 10, 2010
96.	Ninety-sixth Meeting	March 19, 2010

Appendix XXI

**List of the officers and the clerical staff of the
Commission and the Inter-State Council Secretariat**

Commission

Sl. No.	Name	Designation
1.	Shri S.D. Sharma	Consultant
2.	Shri Amitabh Kharkwal	Director
3.	Shri T.N.Sansi	Director
4.	Shri J.B.Sinha	Director
5.	Shri V.Venkatesan	Consultant
6.	Shri B. S. Khera	Senior Principal Private Secretary
7.	Shri Satya Pal	Under Secretary (Upto 26.10.2007)
8.	Shri Randhir Singh	Under Secretary
9.	Shri Praveen Kumar	Principal Private Secretary (Upto 23.07.2008)
10.	Shri I.J.Lakhanpal	Private Secretary
11.	Shri M.M.Sharma	Private Secretary
12.	Shri T.S.Bhumrah	Private Secretary
13.	Shri Satinder Kumar	Private Secretary (Upto 25.04.2009)
14.	Shri S.S.Sachdeva	Private Secretary
15.	Shri Daya Singh	Private Secretary
16.	Smt. Rani Seth	Private Secretary
17.	Shri K.Parmeshwar	Research Assistant (Upto 31.03.2009)

18.	Dr.(Ms.) A. Mallika Joseph	Research Assistant (Upto 01.11.2009)
19.	Shri Mohit Abraham	Research Assistant
20.	Ms. Aparna B.	Research Assistant
21.	Ms. Jasdeep Randhawa	Research Assistant
22.	Shri S.K.Kohli	Assistant (Upto 23.10.2008)
23.	Shri K.M.Motiramani	Assistant
24.	Shri Sudarshan Kumar (1)	Assistant
25.	Shri Sudarshan Kumar (2)	Assistant
26.	Smt. Shushma Malhotra	Personal Assistant
27.	Shri K.B.Wadhwa	Personal Assistant
28.	Shri Vinod Kumar	Personal Assistant
29.	Shri Surinder Singh	Personal Assistant
30.	Shri E.V.Anjaneyulu	Personal Assistant
31.	Shri Deepak Kumar	Personal Assistant
32.	Shri K.R.Nair	Upper Division Clerk (Upto 31.12.2008)
33.	Shri S.S.Kathuria	Upper Division Clerk
34.	Shri Munender Datt	Lower Division Clerk
35.	Shri S.C.Sharma	Lower Division Clerk
36.	Shri Surjit Singh	Lower Division Clerk

Inter-State Council Secretariat

Sl. No.	Name	Designation
1.	Shri Mukul Joshi	Secretary
2.	Shri Shashi Prakash	Special Secretary & Adviser
3.	Shri S. D. Sharma	Additional Secretary & Adviser (Upto 20.06.2008)
4.	Smt. Veena Upadhyaya	Additional Secretary & Adviser (Upto 21.01.2009)
5.	Smt. Renuka Jain Gupta	Director (Upto 02.06.2009)
6.	Shri B. Jana	Director
7.	Shri K.P. Mishra	Director
8.	Smt. Raj Kumari Kewlani	Principal Staff Officer
9.	Shri K. Muthukumar	Deputy Secretary (Upto 31.12.2008)
10.	Shri Randhir Singh	Deputy Secretary (Upto 31.03.2009)
11.	Shri M. Ramalingam	Deputy Secretary (Upto 31.05.2009)
12.	Shri Amaresh Singh	Deputy Secretary (Upto 25.08.2009)
13.	Shri R. Vaidyanathan	Deputy Secretary
14.	Smt. Pramila Raghavendran	Deputy Secretary (Upto 25.02.2010)
15.	Shri U.S. Chattopadhyay	Under Secretary (Upto 16.10.2008)
16.	Shri Sushil Kumar	Under Secretary
17.	Shri R.K. Tiwari	Under Secretary

18.	Smt. Lakshmi Manwani	Principal Private Secretary
19.	Shri Manoj Kumar	Section Officer
20.	Shri Dinesh Kishwan	Section Officer
21.	Shri Bhagwan Singh	Assistant Library & Information Officer
22.	Shri Inder Jeet Arora	Private Secretary
23.	Smt. Chandra Prabha Gulati	Assistant
24.	Smt. Sharmila Chanda	Assistant
25.	Shri Prem Chand	Personal Assistant
26.	Shri K. Ravichandran	Personal Assistant (Upto 17.02.2010)
27.	Shri Santosh Kumar Malviya	Personal Assistant
28.	Shri Ashwani Kumar	Personal Assistant
29.	Shri Bhagwat Singh	Personal Assistant
30.	Shri Prabhat Kumar Panigrahy	Accountant
31.	Shri Sanjay Kumar	Upper Division Clerk
32.	Shri Bipin Bihari	Upper Division Clerk
33.	Shri Ravinder Singh Rawat	Upper Division Clerk
34.	Ms. N. Mangamma	Upper Division Clerk
35.	Shri Hawa Singh Meena	Upper Division Clerk
36.	Shri Anil Kumar	Stenographer Grade 'D'
37.	Shri Akash Singh	Stenographer Grade 'D'
38.	Shri Prem Chand	Library Attendant

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