

**GOVERNMENT OF INDIA  
MINISTRY OF HOME AFFAIRS**

**LOK SABHA  
UNSTARRED QUESTION NO. †927**

**TO BE ANSWERED ON THE 24<sup>TH</sup> JULY, 2018 / SHRAVANA 2, 1940 (SAKA)**

**STRENGTHENING OF FEDERAL STRUCTURE**

**†927. SHRI GOPAL SHETTY:**

**Will the Minister of HOME AFFAIRS be pleased to state:**

**(a) whether the existing federal framework of the country is hindering the development of the country;**

**(b) whether there is a need to further strengthen the federal structure of the country; and**

**(c) if so, the details thereof?**

**ANSWER**

**MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS  
(SHRI HANSRAJ GANGARAM AHIR)**

**(a) to (c): It may not be correct to say that the existing federal framework has hindered development of the country. India, at present, is among the fastest developing economy in the world. Based on the recommendations of the first Commission on Centre-State Relations under the Chairmanship of the Justice R.S. Sarkaria, an Inter-State Council was set up on 28.05.1990 under Article 263 of the Constitution. Inter-State Council provides the perfect setting for cooperative federalism since it can be used for evolving policy as well as for ensuring its implementation.**

**Zonal Councils set up under the State Reorganization Act, 1956 to develop cooperative working among the States provide a meeting ground for the States in different zones for solving Inter-State problems and fostering balanced socio-economic development of the respective zones.**

**Ministry of Finance provides assistance to States through tax devolution, Finance Commission grants and allocation for welfare of various schemes through different line Ministries/Departments. The Fourteenth Finance Commission had proposed the increase in tax devolution to states from 32% to 42% of the net divisible pool of taxes from 2015-16, thus increasing the funds available to State Governments.**

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