

**GOVERNMENT OF INDIA
MINISTRY OF HOME AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO.3870
TO BE ANSWERED ON THE 9TH AUGUST, 2016/SHRAVANA 18, 1938 (SAKA)**

FEDERAL STRUCTURE

†3870. SHRI GOPAL SHETTY:

Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether the Government has taken any steps for strengthening the Federal structure of the country; and

(b) if so, the details thereof?

ANSWER

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

(a) to (b): Various steps have been taken by the Government for strengthening the Federal structure of the country. First Commission on Centre-State Relations was set up on 09.06.1983 under the Chairmanship of Justice R.S. Sarkaria, to review the existing arrangements between the Centre and the States. Based upon the Sarkaria Commission's recommendation, an Inter-State Council was set up on 28.05.1990 under Article 263 of the Constitution.

The second Commission on Centre-State Relations was set up on 27.04.2007 under the Chairmanship of Justice M.M. Punchhi. The recommendations of the commission were discussed in 11th meeting of Inter-State Council on 16-07-2016.

Zonal Council was set up as Statutory body under State Reorganization Act 1956 to develop cooperative working among the States and to 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 tremendously increasing the funds available to State Governments.