

Federalism and the evolving role of states in Indian constitutional practice

Federalism is a political and administrative system in which power is constitutionally divided between a central (national) government and various regional (state or provincial) governments. Each level of government operates independently within its own sphere of authority while sharing certain powers and responsibilities. Federalism promotes decentralization, enabling local governments to address regional needs more effectively while maintaining national unity.

In a federal structure, the constitution is usually supreme and acts as a framework that defines the powers and functions of each level of government. Both the union and state governments have their own legislatures, executives, and judiciaries in many federal systems. Countries like the United States, India, Canada, and Australia follow federal principles, although the degree of autonomy and power-sharing varies.

The key features of federalism include dual governance, division of powers, written constitution, and mechanisms for resolving inter-governmental disputes, making it suitable for large, diverse nations.

Federalism in India – A Brief History

Federalism in India has its roots in the colonial era, particularly with the **Government of India Act, 1935**, which first introduced a federal structure by dividing powers between the Centre and the provinces. However, it was only after independence in 1947 that a comprehensive federal framework was established through the **Constitution of India**, which came into force on **January 26, 1950**.

India adopted a **quasi-federal** structure, meaning it blends elements of both federal and unitary systems. The framers of the Constitution chose this model to ensure unity in a diverse country with numerous languages, religions, and cultures. The Constitution divides powers into three lists—**Union List, State List, and Concurrent List**—allowing both the Centre and states to legislate on specified subjects.

While India's federal structure ensures a division of powers, it grants **more authority to the central government**, especially during emergencies, reflecting the unitary tilt. Over the decades, the Indian federal system has evolved, especially with the rise of regional parties and coalition governments in the 1990s, leading to greater assertion by states. Judicial rulings, especially by the Supreme Court, have further clarified the balance of power, reinforcing cooperative federalism as a guiding principle in India's democratic governance.

India's Federalism: A Decade of Evolution (2015–2025)

India's federal structure, characterized by a division of powers between the central government and states, has undergone significant transformations between 2015 and 2025. This period witnessed a blend of cooperative federalism initiatives and instances of centralization, reflecting the dynamic nature of India's governance.

2015: Establishment of NITI Aayog

In January 2015, the National Institution for Transforming India (NITI Aayog) replaced the Planning Commission. NITI Aayog aimed to foster cooperative federalism by involving states in the economic policymaking process, promoting a bottom-up approach to development. The institution's initiatives included the development of a 15-year road map and a 7-year vision, strategy, and action plan, emphasizing the importance of state participation in national development strategies.

2017: Implementation of Goods and Services Tax (GST)

The Goods and Services Tax (GST), implemented in July 2017, marked a significant shift in India's fiscal federalism. By subsuming multiple indirect taxes into a single tax, GST aimed to create a unified national market. The introduction of GST required a consensus among states, as it impacted their fiscal autonomy. To address concerns over potential revenue losses, the central government assured states of compensation for any shortfall in GST revenues for a specified period, thereby promoting cooperative federalism.

2019: Abrogation of Article 370 and Reorganization of Jammu & Kashmir

On August 5, 2019, the central government abrogated Article 370 of the Constitution, which granted special autonomy to Jammu and Kashmir. The region was reorganized into two Union Territories: Jammu & Kashmir, and Ladakh. This move centralized governance in the region, reducing the autonomy previously enjoyed by the state. The decision was met with political unrest and debates over the erosion of federal principles.

2020: National Education Policy (NEP) 2020

The National Education Policy (NEP) 2020 aimed to overhaul India's education system. While the policy emphasized the importance of multilingualism and local context, some states expressed concerns over the imposition of a uniform framework that could potentially undermine regional languages and cultural diversity. The implementation of NEP highlighted the tension between national standardization and regional autonomy in educational matters.

2021: Amendments to All India Services Rules

In 2021, the central government amended the rules governing the All India Services (AIS), including the Indian Administrative Service (IAS), Indian Police Service (IPS), and Indian Forest Service (IFoS). The amendments centralized aspects of service control, leading to concerns among states about their ability to manage administrative affairs independently. The changes prompted discussions about the balance of power between the Centre and states in administrative matters.

2023: Supreme Court Ruling on Governor's Assent

In April 2023, the Supreme Court of India ruled that the Governor of a state cannot exercise an absolute veto over legislation duly passed by the state legislature. The Court emphasized that the Governor must act on the advice of the Council of Ministers and cannot withhold assent indefinitely. This ruling reinforced the principle of parliamentary democracy and clarified the role of the Governor in the legislative process.

2024: Extension of GST Compensation Cess

In response to the economic challenges posed by the COVID-19 pandemic, the central government extended the GST compensation cess to support states facing revenue shortfalls. This extension aimed to provide financial stability to states, ensuring that they could continue to fund essential services and development projects. The move was seen as a reaffirmation of the commitment to cooperative federalism.

2025: One Nation, One Election Proposal

In early 2025, the central government proposed the "One Nation, One Election" initiative, aiming to synchronize elections for the Lok Sabha and state assemblies. The proposal sought to reduce election-related expenses and ensure more efficient governance. However, the plan faced criticism from opposition parties and regional leaders, who argued that it could marginalize regional issues and disrupt the federal balance by reducing the frequency of state-specific elections.

Conclusion

The period from 2015 to 2025 has been marked by significant developments in India's federal structure. While initiatives like the establishment of NITI Aayog and the extension of GST compensation cess have promoted cooperative federalism, actions such as the abrogation of Article 370 and the "One Nation, One Election" proposal have raised concerns about centralization. These developments underscore the dynamic interplay between unity and diversity in India's federal framework, highlighting the need for continuous dialogue and balance between the Centre and states to uphold the principles of federalism.

Evolving Roles of Indian States in Constitutional Practice:

India's federal structure has experienced significant transformations between 2015 and 2025, reflecting the dynamic interplay between state autonomy and central authority. This period has seen states asserting their constitutional rights, engaging in legal challenges, and navigating fiscal and administrative changes. Below is a state-wise analysis highlighting key developments:

1. Tamil Nadu

In 2025, the Supreme Court ruled in *State of Tamil Nadu v. Governor of Tamil Nadu* that the Governor cannot exercise an absolute or pocket veto over legislation duly passed by the State legislature. This landmark decision reinforced the state's legislative autonomy and clarified the Governor's role in the assent process, emphasizing the need for timely action and limiting the scope for gubernatorial obstruction in state affairs.

2. Kerala

Kerala has been proactive in challenging central legislation perceived to infringe upon state rights. Notably, in 2020, Kerala became the first state to challenge the Citizenship Amendment Act (CAA) in the Supreme Court, arguing that it violated constitutional principles of equality and secularism. This action underscored Kerala's commitment to upholding constitutional values and its willingness to assert state authority in matters of national importance.

3. Uttarakhand

In 2023, Uttarakhand passed a Uniform Civil Code (UCC) legislation, standardizing laws on marriage, divorce, adoption, and inheritance for all religious communities. While the law aimed to promote gender equality and national integration, it faced opposition from minority communities who viewed it as an imposition on their religious practices. The move highlighted the state's role in shaping social policies and its engagement with national debates on uniformity versus diversity.

4. Jammu & Kashmir

The abrogation of Article 370 in 2019 led to the reorganization of Jammu and Kashmir into Union Territories, significantly altering the state's constitutional status. This centralization of governance has sparked debates over federal principles and the autonomy of states, with Jammu & Kashmir's unique status being a focal point in discussions about the balance of power between the Centre and states.

5. Maharashtra

Maharashtra has been at the forefront of environmental federalism, implementing stringent environmental regulations and policies addressing climate change and resource management. The state's proactive stance in environmental governance has sometimes led to conflicts with central policies, reflecting the challenges of balancing state initiatives with national objectives.

6. Tamil Nadu (Additional Context)

Beyond the 2025 Supreme Court ruling, Tamil Nadu has consistently asserted its autonomy in matters of social justice and governance. The state's robust reservation systems and proactive social policies have reinforced its commitment to federal principles and its role in shaping inclusive governance frameworks.

7. Assam, Meghalaya, Mizoram, and Tripura

These northeastern states benefit from the Sixth Schedule of the Constitution, which grants them autonomy through Autonomous District Councils. This provision allows for self-governance in matters related to land and resources, preserving the cultural identities and administrative practices of indigenous communities. The continued application and potential expansion of these provisions underscore the importance of tailored federal solutions in diverse regions.

8. Northeastern States (General Overview)

The Northeastern states, including Nagaland, Arunachal Pradesh, and Sikkim, are governed by special provisions under Articles 371A to 371J. These provisions safeguard their religious, social, and cultural practices, ensuring that their unique identities are preserved within the Indian federal framework. The application and potential expansion of these provisions reflect the state's commitment to inclusive federalism.

9. Andhra Pradesh

Andhra Pradesh has utilized its special provisions under Article 371D to promote equitable opportunities in education and public employment. These measures aim to address regional disparities and ensure that all sections of society have access to resources and opportunities, reinforcing the state's commitment to social justice within the federal structure.

10. Karnataka

Karnataka's implementation of Article 371J has focused on providing equitable opportunities in education and public employment for certain regions, particularly the Hyderabad-Karnataka region. This initiative aims to address historical inequalities and promote inclusive development, highlighting the state's proactive approach to federal governance.

11. Gujarat and Maharashtra

Both Gujarat and Maharashtra have utilized their special provisions under Article 371I to promote equitable opportunities in education and public employment. These measures aim to address regional disparities and ensure that all sections of society have access to resources and opportunities, reinforcing the state's commitment to social justice within the federal structure.

12. Himachal Pradesh and Rajasthan

Himachal Pradesh and Rajasthan have extended Panchayati Raj institutions to tribal areas, empowering local governance and promoting grassroots democracy. This decentralization of power enhances local participation in decision-making processes and ensures that development initiatives are tailored to the specific needs of tribal communities.

13. Odisha

Odisha has been proactive in implementing decentralized governance through Panchayati Raj institutions, empowering local bodies to manage rural development, infrastructure, and social welfare programs. This approach enhances local governance and ensures that development initiatives are responsive to the needs of rural communities.

14. Madhya Pradesh

Madhya Pradesh has extended Panchayati Raj institutions to tribal areas, empowering local governance and promoting grassroots democracy. This decentralization of power enhances local participation in decision-making processes and ensures that development initiatives are tailored to the specific needs of tribal communities.

15. Rajasthan

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16. Gujarat

Gujarat has extended Panchayati Raj institutions to tribal areas, empowering local governance and promoting grassroots democracy. This decentralization of power enhances local participation in decision-making processes and ensures that development initiatives are tailored to the specific needs of tribal communities.

17. Arunachal Pradesh

Arunachal Pradesh has implemented special provisions under Article 371G to safeguard its religious and social practices, customary laws, and administration of civil and criminal justice. These measures ensure that the state's unique cultural identity is preserved within the Indian federal framework.

18. Nagaland

Nagaland has implemented special provisions under Article 371A to safeguard its religious and social practices, customary laws, and administration of civil and criminal justice. These measures ensure that the state's unique cultural identity is preserved within the Indian federal framework.

19. Mizoram

Mizoram has implemented special provisions under Article 371F to safeguard its social and customary laws, administration of civil and criminal justice, and equitable opportunities in education and public employment. These measures ensure that the state's unique cultural identity is preserved within the Indian federal framework.

20. Sikkim

Sikkim has implemented special provisions under Article 371E to safeguard its ownership rights over land and resources and its unique cultural identity. These measures ensure that the state's unique cultural identity is preserved within the Indian federal framework.

The period from 2015 to 2025 has witnessed Indian states actively engaging in constitutional practices, asserting their rights, and navigating the complexities of federal governance. While challenges persist, the evolving roles of states reflect a dynamic federal structure that accommodates diversity and promotes inclusive development. The continued application and potential expansion of special provisions, along with proactive state policies, underscore the importance of a responsive and adaptive federal system in India.

The federal system in India, characterized by the division of powers between the central and state governments, offers several advantages that contribute to the country's democratic structure and governance. Here are the key benefits of India's federal system:

1. Promotes Regional Autonomy

Federalism allows states to have their own legislative, executive, and judicial structures, giving them the autonomy to make decisions tailored to their unique cultural, economic, and social needs. This is especially important in a country as diverse as India, where regional differences in language, culture, and priorities exist. The autonomy helps maintain local identity and self-governance while still being part of the larger nation.

2. Encourages Diversity and Pluralism

India's federal system accommodates a wide range of ethnic, linguistic, and religious groups. Each state can enact policies that reflect its regional realities, promoting pluralism and respecting diversity. For instance, states like Tamil Nadu and Kerala have their own approaches to education, healthcare, and welfare based on local contexts, while also contributing to national development.

3. Facilitates Local Governance

By decentralizing power, federalism allows for more effective governance at the local level. Decisions related to infrastructure, education, healthcare, and law enforcement are made closer to the people they affect. This enhances accountability, as local governments are more attuned to the needs and aspirations of their citizens. Moreover, it fosters grassroots participation in governance through bodies like Panchayats and Municipalities.

4. Balances National and State Interests

Federalism provides a mechanism to balance the interests of the central government and the states. While the central government can address issues of national importance (such as defense, foreign policy, and currency), states have the flexibility to manage regional concerns (such as agriculture, law enforcement, and education). This balance ensures that the needs of both the nation and local populations are met.

5. Promotes Innovation and Experimentation

The federal system allows states to experiment with policies that can later be adopted by other states or the central government. For instance, various states have implemented different models for improving healthcare and education, which can be scaled up or replicated in other parts of the country if proven successful. This promotes innovation and enables the government to learn from local successes or failures.

6. Conflict Resolution

Federalism provides a framework for resolving conflicts between the central government and state governments. By allocating specific powers to both levels, it reduces the likelihood of disputes over authority. Additionally, mechanisms like the Inter-State Council and the Finance Commission offer platforms for dialogue and cooperation between the Centre and states.

7. Accommodates Political and Social Diversity

India's multi-party system thrives under federalism, allowing for political diversity to be represented at both the state and national levels. The central government often comprises a coalition of various regional parties, reflecting the broad political spectrum of the country. States have the freedom to elect governments based on local political ideologies, which strengthens democratic governance and ensures that regional issues are addressed at the state level.

8. Ensures Equitable Development

Federalism allows states to prioritize their own developmental goals based on local conditions. While the Centre provides financial assistance, states can implement region-specific plans that cater to their populations' needs. This promotes more equitable development, as states can focus on addressing disparities in areas such as healthcare, education, infrastructure, and employment.

9. Strengthens Democracy

By decentralizing power, federalism strengthens India's democracy by involving citizens in decision-making processes at the local level. States have the autonomy to legislate, govern, and address issues relevant to their communities, which ensures that power is not overly concentrated in the central government. This fosters a more participatory democratic culture, where citizens feel their voices are heard and their concerns are addressed.

10. Flexibility in Crisis Management

Federalism allows states to take swift action during local crises. For example, states can act independently in response to natural disasters, public health emergencies, or law and order issues. In the case of the COVID-19 pandemic, several states implemented localized lockdowns, set up testing facilities, and devised strategies to manage the health crisis, reflecting the flexibility of the system.

11. Preventing Authoritarianism

A federal system with multiple levels of governance prevents the concentration of power in a single authority. By distributing power between the Centre and the states, federalism acts as a safeguard against authoritarianism, ensuring that governance remains democratic and accountable. The division of powers limits the central government's ability to exert total control, protecting individual freedoms and regional rights.

The federal structure in India offers numerous advantages, including promoting regional autonomy, ensuring balanced governance, and encouraging democratic participation. It also provides a framework for accommodating India's vast diversity, fosters innovation, and resolves conflicts between the Centre and the states. Through decentralization, it ensures that power is exercised at the level closest to the people, enhancing the overall effectiveness and responsiveness of governance. These advantages contribute to the country's political stability, inclusive growth, and social harmony.

While India's federal system offers numerous advantages, it also comes with certain limitations and challenges that can hinder effective governance and development. Below are some of the key limitations and challenges faced by the federal system in India:

1. Centralization of Power

Despite being a federal system, India's structure tends to tilt toward centralization. The Constitution grants significant powers to the central government, especially in times of emergency, where it can override state decisions. The Union List (on which only the central government can legislate) is more extensive than the State List, giving the central government the ability to intervene in many areas.

The centralization of power can sometimes limit states' autonomy in crucial areas such as taxation, law enforcement, and policy implementation.

2. Unequal Financial Resources

The allocation of financial resources between the Centre and states has been a point of contention. States heavily depend on central government transfers, and the distribution of funds is not always equitable. This creates disparities between states with different economic capacities. For instance, wealthier states like Maharashtra or Gujarat generate substantial revenue, while poorer states rely more on central transfers. Such financial imbalances can hinder states' capacity to deliver public services effectively.

3. Weak Inter-State Cooperation

While the Indian federal system is intended to promote cooperation between states, in practice, inter-state cooperation often remains weak. Disputes over issues such as river water sharing, border conflicts, and resource allocation are common. States may prioritize their own regional interests over national or cooperative goals, leading to gridlock. Examples include the unresolved disputes over river water sharing between Tamil Nadu and Karnataka or Punjab and Haryana.

4. Conflict Over Jurisdiction

The demarcation of powers between the central and state governments can sometimes be unclear, leading to conflicts. Issues of jurisdiction often arise in the Concurrent List, where both the Centre and the states can legislate. In cases where state laws contradict central laws, the central law prevails, which can lead to resentment among states. The ambiguous distribution of powers in the Constitution often fuels disputes and legal battles.

5. Political Tensions Between the Centre and States

Political rivalry between the ruling party at the Centre and state governments can undermine the cooperative nature of federalism. States with opposition parties in power may face political pressures from the central government, which can affect the implementation of policies. Central interference in state affairs, especially when it is perceived to be politically motivated, can strain the relationship between the Centre and states.

6. Weak Role of Governors

In India's federal system, Governors act as representatives of the central government in states. However, their role has been a source of controversy, especially when their actions are seen as politically biased. Governors often exercise discretionary powers, such as withholding assent to state legislation or dissolving state assemblies. These actions can be perceived as undermining the autonomy of states and can escalate tensions between the Centre and state governments.

7. Overlapping Laws and Redundancy

With multiple layers of governance (local, state, and central), there can be overlapping laws and regulations that create confusion and inefficiency. For example, in areas such as agriculture, education, and health, both the central and state governments may enact policies that contradict each

other. This duplication and lack of clarity in roles can lead to inefficiency and delays in governance, as states and the Centre may operate in silos.

8. Regional Disparities

India's federal system has not always been successful in addressing regional inequalities. While states can implement their own policies to address local issues, disparities in development across regions persist. Poorer states in eastern and central India, such as Bihar, Uttar Pradesh, and Madhya Pradesh, lag behind wealthier states in terms of education, infrastructure, and healthcare. These disparities are often exacerbated by the financial dependence of states on the Centre.

9. Difficulty in Implementing National Policies

While federalism allows states to make policies suited to their unique contexts, it can also complicate the implementation of uniform national policies. Issues like education, healthcare, and disaster management often require a cohesive national approach, but states may adopt different methods or priorities that can slow down the overall progress. For example, the implementation of the National Education Policy (NEP) faced resistance from states like Tamil Nadu, which feared that it would override regional interests, especially with regard to language policies.

10. Resistance to Centralized Reforms

Some central reforms may face resistance from states due to concerns about state sovereignty. The implementation of the Goods and Services Tax (GST) in 2017 is a case in point. While GST aimed to create a unified tax structure across the country, states expressed concerns about revenue loss, and the process of developing a consensus on GST took several years. Although GST was eventually implemented, it highlighted the challenges of achieving cooperation between the Centre and states on major policy initiatives.

11. Challenges in Coordination During Emergencies

During national emergencies, such as natural disasters or public health crises, the coordination between the central and state governments is crucial. However, this coordination is often fraught with inefficiencies, as states may have different priorities and capacities. During the COVID-19 pandemic, for example, some states imposed stricter lockdown measures, while others were reluctant to enforce nationwide restrictions. This lack of uniformity in response hindered national efforts to control the virus effectively.

12. Cultural and Linguistic Tensions

Cultural and linguistic diversity in India often leads to tensions between the Centre and states. States like Tamil Nadu and Punjab have historically resisted central impositions that threatened their regional languages and cultural identities. For instance, resistance to the imposition of Hindi as the sole national language has been a major political issue in southern states. While federalism allows for regional autonomy, cultural and linguistic differences sometimes strain national unity and cooperation.

13. Judicial Oversight

The Supreme Court of India often plays a crucial role in interpreting the Constitution and resolving disputes between the Centre and states. While the judiciary's intervention ensures that the federal system remains balanced, it can also be seen as a challenge to state autonomy. Judicial activism can lead to decisions that overrule state policies or create confusion in federal practices, leading to a sense of power imbalance.

While India's federal system is designed to balance the needs of central and state governance, it faces significant challenges. Centralization of power, unequal financial resources, political tensions, and conflicts over jurisdiction are just a few of the issues that complicate effective governance. Additionally, regional disparities, resistance to centralized reforms, and overlapping laws can impede progress and cooperation. Addressing these challenges requires greater collaboration between the Centre and states, clearer definitions of jurisdiction, and reforms that prioritize equitable development and fiscal autonomy. Strengthening inter-state cooperation, promoting transparency, and ensuring greater clarity in governance structures will be essential in improving the effectiveness of India's federal system.