

# International Journal of Law Research, Education and Social Sciences

Open Access Journal – Copyright © 2026 – ISSN 3048-7501  
Editor-in-Chief – Prof. (Dr.) Vageshwari Deswal; Publisher – Sakshi Batham



This is an Open Access article distributed under the terms of the Creative Commons Attribution-Non-Commercial-Share Alike 4.0 International (CC-BY-NC-SA 4.0) License, which permits unrestricted non-commercial use, distribution, and reproduction in any medium provided the original work is properly cited.

---

## Central Dominance v State Autonomy: A Critical Study of Indian Federalism

Thandlam Kundan Kaushik<sup>a</sup>

<sup>a</sup>Presidency University, Bengaluru, India

Received 27 May 2026; Accepted 26 June 2026; Published 30 June 2026

---

*Indian Federalism, established under the Constitution of India, embodies a quasi-federal structure that distributes legislative, executive, and financial powers between the Union and States. Despite a constitutionally enshrined division of powers, the Indian federal framework has consistently witnessed tensions between central authority and state autonomy. This paper critically examines the structural underpinnings of Indian federalism, identifies the principal causes of Central-State conflicts, and analyses landmark judicial pronouncements that have shaped the federal balance. Special attention is given to contemporary issues such as GST compensation disputes, Governor-State tensions, and central agency interference. The article further evaluates existing dispute resolution mechanisms and proposes institutional reforms to strengthen cooperative federalism in India.*

**Keywords:** *federalism, centre-state relations, Indian Constitution, cooperative federalism, state autonomy.*

---

### INTRODUCTION

Federalism, as a constitutional principle, refers to a system of governance in which political power is constitutionally distributed between a central authority and constituent units such as states or provinces. Where himself characterised the Indian model as federal in form but

unitary in spirit, observing that the Indian Constitution departs from classical federalism by vesting enormous residuary powers and emergency authority in the Union.<sup>1</sup> B.R. Ambedkar, the principal architect of the Constitution, acknowledged in the Constituent Assembly Debates that India had chosen a federation that could also function as a unitary state in times of emergency.<sup>2</sup> Granville Austin, in his foundational study *The Indian Constitution: Cornerstone of a Nation* (1966), described the Indian constitutional schemes as a “cooperative federalism” in which the Centre and State are partners in governance rather than rivals.<sup>3</sup> Centre-State conflicts in India are merely political disputes; they reflect deeper structural tensions that have intensified with the rise of regional parties and coalition governance, transforming federal disputes from administrative disagreements into constitutional confrontations.<sup>4</sup> This Article undertakes a systematic enquiry into Indian Federalism, states the causes of Centre-State conflicts, and evaluates the resolution and techniques.

## STATEMENT OF THE PROBLEM

Despite the existence of the constitutional framework, disputes have arisen between the Centre and States, which shape the Indian federalism. The Seventh Schedule of the Constitution of India divides the powers into the Union List (LIST I), the State List (LIST II), and the Concurrent List (LIST III); the lists are intended to provide a clear demarcation of jurisdiction. The practical operation of Indian federalism has consistently tilted in favour of central dominance due to the expansive scope of the Union List and the Doctrine of Repugnancy under Article 254.<sup>5</sup>

H.M. Seervai, in his magisterial *Constitutional Law of India* (1993), argued that several structural features of the Constitution contribute to this asymmetry: the residuary powers conferred on Parliament under Article 248, the overriding authority of Union legislation in the Concurrent List, the power to declare a State Emergency under Article 356, and the financial dependency of states on central transfers.<sup>6</sup>

---

<sup>1</sup> Kenneth C Wheare, *Federal Government* (Hassell Steet Press 2021) 28

<sup>2</sup> B R Ambedkar, *Constituent Assembly Debates*, Vol VII (Government of India 1948)

<sup>3</sup> Granville Austin, *The Indian Constitution: Cornerstone of a Nation* (OUP 1966) 186

<sup>4</sup> Pritam Singh, *Federalism, Nationalism and Development in India: India and the Punjab Economy* (Routledge 2008)

<sup>5</sup> M P Jain, *Indian Constitutional Law* (9th edn, Lexis Nexis 2025)

<sup>6</sup> H M Seervai, *Constitutional Law of India*, vol III (4th edn, Universal Law Publishing 2015) 2410-2415

The problem is further compounded by political dynamics. As Nirvikar Singh demonstrated in his comparative study of fiscal federalism in India, the post-liberalisation era has introduced new dimensions of conflict, particularly around GST devolution, centrally sponsored schemes, and the growing role of central investigative agencies in state affairs.<sup>7</sup>

## RESEARCH QUESTIONS

1. What is the constitutional nature and character of Indian federalism, and how does it compare with Wheare’s classical federal model?
2. What are the major structural, political, and institutional causes of conflict between the Centre and States in India?
3. How has the Supreme Court of India interpreted and protected federal principles, particularly in landmark cases involving President’s Rule, the governor’s discretion, and legislative supremacy?
4. Are the existing mechanisms, such as the Inter-State Council, Finance Commission, and Zonal Councils, sufficient to resolve Centre-State disputes in the contemporary context?

## THE CONSTITUTIONAL FRAMEWORK OF INDIAN FEDERALISM

**Structural Features of Indian Federalism:** In *State of West Bengal v Union of India*,<sup>8</sup> the Supreme Court held that the Indian Constitution is not a compact between sovereign States, and therefore India does not exhibit classical federalism in the Wheareian sense. The Court affirmed that sovereignty vests in the Union, not in the constituent units, distinguishing India from the United States model analysed in Alexander Hamilton, James Madison, and John Jay’s *The Federalist Papers* (1788), where the sovereignty of the states was explicitly preserved.<sup>9</sup> V.N. Shukla, in *Constitution of India* (2017), identifies the key structural features of Indian federalism as: (a) a dual polity with two sets of government; (b) a written and supreme Constitution; (c) distribution of powers through the Seventh Schedule; (d) an independent judiciary with power of judicial review; and (e) bicameralism at the Union level.<sup>10</sup> However, Indian federalism departs

<sup>7</sup> Nirvikar Singh, ‘Fiscal Federalism and Decentralization in India’ (2008) SSRN <[https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1282267](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=1282267)> accessed 24 May 2026

<sup>8</sup> *State of West Bengal v Union of India* AIR 1963 SC 1241

<sup>9</sup> Alexander Hamilton et al., ‘Federalist Nos. 31-40’ (*Library of Congress*, 01 January 1788) <<https://guides.loc.gov/federalist-papers/text-31-40>> accessed 24 May 2026

<sup>10</sup> Mahendra Pal Singh, *VN Shukla’s Constitution of India* (13th edn, Eastern Book Company 2017) 412-414

from classical models through features such as single citizenship, a unified judiciary, an All-India Civil Service, and the primacy of Union legislation in the Concurrent List, features Ambedkar described as making India a “unitary state with subsidiary federal features”.<sup>11</sup>

**Distribution of Legislative Powers:** In the Concurrent List, Article 254 gives Union legislation an overriding effect over inconsistent State legislation. D.D. Basu, in *Introduction to the Constitution of India* (2021), describes this as the “doctrine of repugnancy”, which effectively subordinates State legislative autonomy on concurrent List matters to Parliamentary will.<sup>12</sup> Articles 249, 250, 252 and 253 enable Parliament to legislate on State List subjects in specified circumstances: national interest resolution by the Rajya Sabha, National Emergency, consent of two or more States, and implementation of international treaties, respectively. Jain (2018) notes that these provisions render the State List “porous to central invasion”, making the apparent exclusivity of state legislative domains illusory in practice.<sup>13</sup>

**Administrative Relations:** The Governor, appointed by the President on the advice of the Union Cabinet under Article 155, functions as an agent of the Centre. Seervai (1993) described the constitutional convention requiring the Governor to act on the advice of the State Council of Ministers as a fundamental principle of responsible government that the Constitution implicitly but firmly establishes.<sup>14</sup>

**Financial Relations:** The 15<sup>th</sup> Finance Commission (2020-2025), chaired by N.K. Singh recommended a 41% share of the divisible pool for states, a slight reduction from the 14<sup>th</sup> Finance Commission’s 42%, citing the creation of the Union Territory of Jammu & Kashmir.<sup>15</sup>

Pinaki Chakraborty and Lekha Chakraborty, in their study of GST and cooperative federalism, observed that the introduction of GST under the 101<sup>st</sup> Constitutional Amendment Act, 2016. While eliminating tax cascading, it transferred significant state fiscal autonomy to the GST Council, where the Centre’s one-third vote effectively constitutes a veto over all decisions.

---

<sup>11</sup> Ambedkar (n 2)

<sup>12</sup> D D Basu, *Introduction to the Constitution of India*, vol I (28th edn, LexisNexis 2025) 318-320

<sup>13</sup> Jain (n 5) 756-758

<sup>14</sup> Seervai (n 6) 2478

<sup>15</sup> 15<sup>th</sup> Finance Commission, *Report of the 15th Finance Commission for 2021-26* (Government of India 2020) 47

## CAUSES OF CENTRE-STATE CONFLICTS

**Misuse of Article 356 (President’s Rule):** Article 356 has been described by the Sarkaria Commission (1988) as “the most drastic provision of the Constitution” and one that has been “perverted and misused” for political purposes.<sup>16</sup> In numerous cases, notably in Kerala (1959), West Bengal (1968), and several States during the Emergency (1975-1977), the power was deployed to dislodge opposition governments rather than to address genuine constitutional breakdown.<sup>17</sup>

In a landmark case called *S.R. Bommai v Union of India*,<sup>18</sup> it modified the application of Article 356. A nine-judge bench held that the power to impose President’s Rule is subject to judicial review, that a government can be dismissed only after it loses its majority on the floor of the House, and that secularism is a basic feature of the Constitution.

**Governor’s Discretionary Powers:** The Sarkaria Commission (1988) observed that the appointment of Governors who are political functionaries or loyalists of the ruling party at the Centre has contributed significantly to institutional friction, and recommended that Governors should be withdrawn from power who are not active in politics for at least 5 years before appointment.<sup>19</sup>

In *Nabam Rebia and Bamang Felix v Deputy Speaker, Arunachal Pradesh Legislative Assembly*,<sup>20</sup> the Supreme Court cautioned against the partisan exercise of the Governor’s discretionary powers and emphasised that the Governor must act in accordance with constitutional conventions and the advice of the Council of Ministers.

In recent trends, the Supreme Court in *The Governor of Tamil Nadu v The State of Tamil Nadu*<sup>21</sup> (2023) held that the Governor cannot arbitrarily withhold assent to Bills which are passed by the State Legislature, reaffirming that the Governor’s role is constitutional and not political.

---

<sup>16</sup> Sarkaria Commission, *Report of the Commission on Centre-State Relations* (Government of India 1988)

<sup>17</sup> *Ibid*; *Annual Report 2022-23* (Ministry of Home Affairs 2023)

<sup>18</sup> *S R Bommai and Ors v Union of India* (1994) 3 SCC 1

<sup>19</sup> Sarkaria Commission (n 16) ch IV

<sup>20</sup> *Nabam Rebia and Bamang Felix v Deputy Speaker and Ors* (2016) 8 SCC 1

<sup>21</sup> *The State of Tamil Nadu v The Governor of Tamil Nadu and Anr* (2025) INSC 481

**Deployment of Central Agencies:** In *State of West Bengal v Committee for Protection of Democratic Rights*,<sup>22</sup> the Supreme Court clarified that the CBI cannot operate in a State without the State Government's consent, except on orders of the superior courts. Despite this ruling, the deployment of the CBI, Enforcement Directorate, and Income Tax Department in opposition-governed States has intensified. As of 2023, 9 States, including Kerala, Punjab, West Bengal, and Rajasthan, have withdrawn their general consents to CBI investigations, citing partisan deployment of central agencies.<sup>23</sup>

## JUDICIAL INTERPRETATION OF FEDERALISM

*S.R. Bommai v Union of India*<sup>24</sup> (1994) is the most consequential federal judgment, establishing that President's Rule is justiciable and that the floor test is a constitutionally mandated method for testing a government's majority. Justice B.P. Jeevan Reddy held that the federal character of the Constitution is a basic feature that cannot be amended to the point of elimination.

In *State of Rajasthan v Union of India*<sup>25</sup> (1977), the Supreme Court acknowledged that the Centre possesses constitutional tools to intervene in State governance, but cautioned that such tools must be exercised in good faith and on constitutionally tenable grounds.

In *State of Kerala v Union of India*<sup>26</sup> (2024), the Supreme Court examined the legality of the Centre's fiscal policies that restrict state borrowings, holding that the Centre cannot impose conditions on loans from central agencies that amount to indirect control over state fiscal policy, reinforcing the financial dimensions of State autonomy.

## EVALUATION OF EXISTING DISPUTE RESOLUTION MECHANISMS

**Inter-State Council:** The Inter-State Council Secretariat (2016) reported that the council had met only eleven times since its constitution, far too infrequently to serve as an effective management forum for the numerous Centre-State disputes that arise annually.

---

<sup>22</sup> *State of West Bengal and Ors v Committee for Protection of Democratic Rights and Ors* (2010) 3 SCC 571

<sup>23</sup> Annual Report 2022-23 (n 17)

<sup>24</sup> *S R Bommai and Ors v Union of India* (1994) 3 SCC 1

<sup>25</sup> *State of Rajasthan and Ors v Union of India Etc* AIR 1977 SC 1361

<sup>26</sup> *The State of Kerala v Union of India* (2024) INSC 253

**Finance Commission:** The 15<sup>th</sup> Finance Commission (2020) recommended a comprehensive framework for state-specific grants and emphasised that states must receive adequate untied funds to address their developmental priorities.

**Zonal Councils:** Basu (2021) observes that these bodies are advisory in character and have never evolved into effective mechanisms for resolving Centre-State disputes, operating primarily as consultative forums for regional cooperation.

**Judicial Review under Article 131:** However, as Shukla (2017) notes, judicial review is inherently reactive, expensive, and slow; it cannot substitute for proactive institutional mechanisms that prevent disputes from arising in the first place.

## **CONCLUSION AND REFORM RECOMMENDATIONS**

Austin's (1966) characterisation of the Indian Constitution as a “seamless web” captures the delicate interdependence of its federal and unitary elements.

**Constitutional Amendment to Regulate the Governor's Office:** Codifying the Sarkaria Commission (1988) and Punchhi Commission (2010) recommendations, the appointment of Governors should require mandatory consultation with the State government. Explicit constitutional provisions should prohibit the partisan use of gubernatorial discretion, particularly regarding the summoning of the legislature and withholding of assent to bills.

**GST Structural Reforms:** Following the recommendation of Chakraborty and Chakraborty (2021), an independent GST Dispute Settlement Authority should be established with judicial character and binding powers to adjudicate Centre-State disputes regarding revenue shares, compensation, and GST Council decisions.

**Strengthening the Inter-State Council:** Implementing the Punchhi Commission's recommendation,<sup>27</sup> the Inter-State Council should be given a permanent secretariat, a fixed biannual meeting schedule, and quasi-judicial authority for specified categories of Centre-State disputes.

---

<sup>27</sup> Commission on Centre-State Relations (Punchhi Commission ), *Volume I: EVOLUTION OF CENTRE-STATE RELATIONS IN INDIA* (Government of India 2010)

**Rationalisation of Central Schemes:** Consistent with the 14<sup>th</sup> and 15<sup>th</sup> Finance Commission recommendations, the number of CSS should be significantly reduced, and remaining schemes should provide greater implementation flexibility to States, with a substantial increase in untied grants.

**Review Mechanism for Article 356:** Building on the Bommai judgement (1994), a standing expert committee comprising the Chief Justice of India, the Lok Sabha Speaker, and the Rajya Sabha Chairman should review the factual basis for any proposed imposition of President's Rule, with its report made available to Parliament within seven days of the proclamation.

In Conclusion, the strength of India's democracy ultimately rests on the effective functioning of its federal polity that must continuously evolve to accommodate the diverse aspirations of its constituent States while preserving the foundational unity that makes India a nation.