

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1795
ANSWERED ON:23.03.2012
DEMAND FOR GREATER FINANCIAL POWERS
Virendra Kumar Shri

Will the Minister of FINANCE be pleased to state:

- (a) whether States have demanded greater financial powers from the Union Government; and
- (b) if so, the details thereof and action taken in this regard alongwith the reaction of the Government thereto ?

Answer

Minister of State in the Ministry of Finance(SHRI NAMO NARAIN MEENA)

(a) & (b): Centre-State financial relations are governed by relevant provisions of the Constitution. Institutional mechanisms exist to examine issues raised by States from time to time, which impinge on Centre-State financial relations. Such issues are resolved within the institutional framework and flexibilities permitted by the Constitution.