

INDIAN CONSTITUTION

19MC004

UNIT II - SYSTEM OF GOVERNMENT

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Parliamentary Form of Government:

- The Constitution of India has decided on the British Parliamentary System of Government as opposed to the American Presidential arrangement of government.
- The parliamentary framework depends on the guideline of participation and coordination between the administrative and leader organs while the official framework depends on the regulation of the partition of abilities between the two organs.

Importance of Constitution:

- **Governance and Rule of Law:** A constitution establishes the framework for governance and ensures that the government operates within defined limits and follows the rule of law. It provides a set of rules and principles that govern the functioning of the state, including the allocation of powers, responsibilities, and limitations of different branches of government.
- **Protection of Fundamental Rights:** A constitution guarantees fundamental rights and freedoms to citizens, such as the right to equality, freedom of speech, religion, and the right to life and liberty. These rights are essential for the protection of individual

dignity, promoting social justice, and ensuring that citizens are not subject to arbitrary actions by the state.

- **Separation of Powers:** A constitution establishes the separation of powers between the legislative, executive, and judicial branches of government. This separation ensures a system of checks and balances, preventing the concentration of power in any one branch and safeguarding against potential abuses.
- **Democratic Governance:** A constitution sets the framework for democratic governance by defining the electoral process, establishing the principle of universal suffrage, and ensuring free and fair elections. It provides the mechanisms for the formation and functioning of representative institutions, such as the parliament and state legislatures, enabling citizens to participate in the decision-making process.
- **Protection of Minority Rights:** A constitution in a diverse country like India plays a crucial role in protecting the rights of minority communities and ensuring their representation and participation in the political process. It provides safeguards against discrimination, promotes social inclusion, and encourages the preservation of cultural, religious, and linguistic diversity.
- **Legal Framework:** A constitution provides the legal framework for the functioning of the judicial system, including the establishment of courts, appointment of judges, and the administration of justice. It ensures access to justice, promotes the rule of law, and protects the rights of individuals through an independent and impartial judiciary.

Parliamentary System and Federal System its Features

Parliament of India:

- Working of Institutions makes sense of the significance of rules and systems which manage a pioneer's standard in a vote-based government.
- These standards and guidelines are projected by and authorized by establishments found inside an administration.

There are three foundations that are known as the state's offices:

- The council, The legal executive, and the presidential part of the public authority.
- The working of the three organizations is important for a state to work in its ideal condition.
- India needs the execution of regulations and their implementation, for which the organizations are utilized to allude to and pursue significant strategy choices.

The Decision Makers:

- The important choice could never have been taken by the individual who marked that report.
- The official was simply executing the guidelines given by the pastor of the workforce, public complaints, and benefits.

The significant functionaries without whom such demonstrations can't be laid out are:

1. **The most elevated conventional, and influential place in the Indian government:** is the president of India.
2. **The leader of the Union of Cabinets and the top of the public authority of India:** the prime minister.
3. The prime minister, who is a significant partner in the death of regulations, needs the help of the upper house (the Lok Sabha) to pass such Memorandums.

Parliament:

- A gathering of chosen agents is called Parliament which practices incomparable political expertise in the interest of individuals.
- At the state level, this is known as the Legislature or Legislative Assembly.
- The name might change in various nations, yet such a gathering exists in each democracy.
- Decisions are not straightforwardly taken in Parliament.
- that as it may, Parliamentary conversations on the Report impact and shape the choice of the public authority.
- These conversations welcome strain on the public authority to act.
- On the off chance that Parliament isn't supportive of the choice, then the Government can't feel free to can't execute the choice.
- The Legislative Council has 36 individuals who address six constituent locales with the number of seats held by an ideological group mirroring the level of votes that a party got in a political race.
- While government priests sit inside Parliament, most of their work is embraced comparable to government divisions and offices.
- The Legislative Assembly has 59 individuals chosen from single-part constituent locale who are chosen for at least four years.

Need for a Political Institution:

In India, Parliament comprises two Chambers or Two Houses of Parliament:

1. **Place of the People (Lok Sabha):** It is straightforwardly chosen by individuals and has the power to address in the interest of individuals.
2. **Committee of States (Rajya Sabha):** Elected by implication to take care of the interests of various states, locales, or government units.

- The President isn't an individual from any of these houses.
- Every one of the regulations made in the Houses needs the consent of the President to turn into an Act.

Anyway, the Indian Constitution doesn't permit the Rajya Sabha any prevalent powers yet the Lok Sabha holds power in a portion of the issues like:

- The two Houses need to pass any customary regulation.
- In the event of contrast between the two Houses, a joint meeting with individuals from both Houses together takes an official conclusion.
- Being more crowded, the perspective on Lok Sabha by and large wins.
- Powers in cash matters are predominantly practiced by Lok Sabha.
- Lok Sabha controls the Council of Ministers and takes everyday choices at various government levels. They deal with the execution of government strategies.

Role of Parliament:

- Mirrors the powers of the Parliament and the justification for why it is the main political foundation in India.
- Parliament is the last power that makes regulations in any country.
- Each request that should be passed by the public authority needs the help of the two places of the Parliament, or if nothing else the Lok Sabha.
- The Parliament has all-out command over the assets of the Government and goes about as a limiter to the admittance of monies the public authority has.
- It impacts the public approach and is the most noteworthy discussion accessible for the conference and issues that general society has.

What Happens in Parliament of India?

- The Parliament of India is the supreme legislative body of the Indian Union.

- It is composed of the President of India, the Rajya Sabha (Upper House), and the Lok Sabha (Lower House).
- The President has the power to summon and prorogue either House of Parliament or to dissolve Lok Sabha.
- The Parliament has exclusive legislative powers over any matter not reserved for the States. In addition, Parliament may consider and pass resolutions on any matter it deems fit, including matters relating to State governments.
- However, a joint sitting of both Houses of Parliament is required to pass a Constitution Amendment Bill.
- Lok Sabha is composed of representatives of the people chosen by direct election on the basis of universal adult suffrage.
- The maximum strength of the House as prescribed by the Constitution is 552 members – 530 members representing the States, 20 members representing the Union Territories, and 2 members nominated by the President from the Anglo-Indian community if he/she feels that community is not adequately represented in Lok Sabha. Presently, there are 543 elected members and 2 nominated members. Of these 543 elected members, 530 represent different States while 13 represent Union Territories.
- The total membership of Lok Sabha can go up to 550 if such a need arises in the future due to the creation or merger or division or abolition etc., of Parliamentary constituencies.
- Rajya Sabha is composed of representatives of the States chosen by indirect election and representatives of union territories chosen in such manner as Parliament may prescribe by law.

How to Get Involved in the Parliament of India?

- The Parliament of India is the supreme legislative body of the Government of India.
- It is composed of the President of India, the Vice President, and 545 Members of Parliament.

The Parliament is the bicameral legislature consisting of two houses: the Rajya Sabha (the Council of States) and the Lok Sabha (the House of the People).

Rajya Sabha:

- The Rajya Sabha (the Council of States) is the upper house of the Indian Parliament.
- It consists of 245 Members (233 from States and Union Territories and 12 from those nominated by the President).
- The term of office for a Member of the Rajya Sabha is six years.
- Elections to Rajya Sabha are indirect; that is, voters cast their ballots for members of an electoral college who then elect the Rajya Sabha members.
- One-third (one-half in case of joint sessions) of the total membership retires every second year.

Lok Sabha:

- The Lok Sabha (the House of People) is composed of 545 Members elected by direct election on the basis of adult suffrage.
- A person must be 25 years or above to be eligible for election to Lok Sabha.
- The normal term for Lok Sabha is five years but it can be dissolved earlier by the President on advice from Prime Minister.
- Of these 545 members, 530 are directly elected from parliamentary constituencies in India and 13 each from Union Territories which have representation in Lok Sabha but do not have full statehood like Delhi and Pud

Federal Features of Indian Constitution – Federalism in India

- Federalism refers to the institutional framework in which the powers are shared between the center and its constitutional parts which include the states and provinces.
- Generally, the Constitution can be either unitary or federal, depending on the powers and responsibilities attributed to the central and States.
- The nature of the Constitution can be defined by looking into the many powers and duties given to the States by the Constitution and interpreting the Constitution accordingly.

Federal System – Two Types of Federations

There are two kinds of federations in the case of India:

1. **Holding Together Federation-** Powers are shared between various constituent parts for the accommodation of diversity, like India.
2. **Coming Together Federation-** Independent states come together for the formation of a larger unit and states come to enjoy more autonomy. An example is the USA.

Features of the Federal System of India:

Some important features of the federal system of India include the following:

1. Dual government polity
2. Independence of Judiciary
3. Dual Citizenship
4. Bicameralism
5. Division of powers between various levels
6. Rigidity of the Constitution

Nature of the Indian Constitution:

- Indian constitution is federal in nature, there are differences of opinion along with jurists as to the nature of the Indian constitution.
- According to the framers of the Indian constitution, it is general in nature.
- However, K.C. Wheare says that it is quasi-federal a unitary state with subsidiary federal features rather than a federal state with subsidiary unitary features.
- Jennings stated it as a federation with a unitary tendency.
- The report on the central-state relations and the Sarkaria Commission reports have also nowhere mentioned that it is a federation constitution.
- The supreme court in the Kesavananda Bharti case merely mentioned that federal character is one of the basic features of the Indian Constitution.

Key Features of Federalism by the Supreme Court:

- Federalism is one of the methods of limiting the government.
- The Supreme Court enlisted the condition to fulfill by the constitution to be federal, given in the State of W.B. Union of India as,
 1. A contract or agreement between independent and sovereign units to surrender partially their authority in the common interest and vest it in a union and retain the residue of the authority in the constituent units. Generally, both central and state unit has their separate constitution by which it is governed in all matters except those which are subject to the union, and the Constitution of the union primarily operates upon the administration of the units.
 2. Supremacy of the Constitution. (The Constitution is no doubt supreme in India but it can be altered by the Parliament alone also).
 3. Distribution of powers between the union and the regional units each in its sphere coordinate and independent of the other. (There is no doubt a distribution of powers in

India but the distribution of powers is not the index of political sovereignty. The powers of the states in that sense are fettered by several restrictions.)

4. The supreme authority of courts to interpret the constitution and to invalidate actions violative of the constitution. A federal constitution consists of checks and balances of disputes and rights.

Key Features of Federalism under the Indian Constitution:

1. Division of Powers:

It is an essential feature of the federal constitution and division of power is done by the Constitution itself. The Constitution clearly demarcates and defines the power of the Union and the States. Both governments are independent in their rights, powers, and jurisdiction. e.g. In the Indian constitution subjects of national importance like defense, foreign affairs, currency, etc. fall under the domain of the center while subjects of local importance like land, water, and agriculture fall under the domain of the States.

2. Supremacy of the Constitution:

The Constitution is the main source of all the powers of the Executive, legislative, and judiciary. All the institutions function under the control of the Constitution, they derived their existence from the Constitution. Supremacy is necessary for the smooth working of the federal government according to K.C. where.

3. Written Constitution:

The federal constitution must be specific and documented. Without a written constitution it is never possible to easily demarcate the division of powers between the Centre and the State. Also, it would be impossible to maintain the supremacy of the Constitution without a written constitution. The establishment of federal polity is quite complex and therefore clarity must be in their constitution.

4. Rigid Constitution:

The rigidity of the Constitution renders amending the Constitution easy, as the written Constitution is rigid. It cannot be easily amended, and this is to maintain the supremacy of the Constitution. e.g. Amendments can be made by simple majority, special majority, or special majority plus ratification of the state.

5. Judiciary:

In federal states, it is natural that disputes may arise between the center and the state regarding the interpretation of the Constitution according to them. In this condition, it's necessary to have an institution or authority which can properly interpret the Constitution and adjudicate the dispute. The role of the judiciary thus assumes importance and the interpretation of the Constitution by the judiciary is binding on all the authorities.

6. Bi-Cameral Legislature:

India has a Bi-cameral legislature and it is an essential feature of federalism. In India bicameral legislature i.e. two houses in the Parliament of India i.e. Upper House (Rajya Sabha) and the lower house (Lok Sabha). For any amendment, the bill should be passed from both houses for enforcement of such amendments in law. Few states in India have also a bicameral legislature; Andhra Pradesh, Bihar, Karnataka, Maharashtra, Telangana, and Uttar Pradesh each have two houses Vidhan Sabha as the Upper House and Vidhan Parishad as the lower house. While the remaining states are unicameral legislatures.

Merits and Demerits of Democracy

- A form of government in which the rulers are elected by the people is termed democracy.
- One of the chief factors of all democracies is that people choose the government.

- Democracy helps students to demarcate between democratic and non-democratic governments.
- For example- from the non-democratic government, people do not elect rulers in Myanmar.
- In charge of the army of the country took over as rulers and in this decision, people said nothing. Dictators like Pinochet (Chile) are not elected by the people and applies to monarchies also.
- The king of Saudi Arabia rules because they are born in the royal family, not because of the condition that people opt them or choose them to rule.

Why Democracy?

Democracy is important because of these reasons:

- **Impress the quality of decision making** – It is based on consultation and discussion. Many persons, discussions and meetings are involved in a democratic decision. In any decision, they are able to point out possible mistakes if a number of people put their heads together. It reduces the chances of rash or irresponsible decisions if most of the decisions are taken by discussions. If the decision is not according to the wishes of the people, they have the right to protest and even can force the government to withdraw it.
- By giving their opinion, it provides all the citizens with some basic rights. In Democracy, all the citizens have a chance to choose and change their representatives, if work is not done according to their wishes. All the members have the right to give their opinions in the parliament. It provides the citizens with a right to follow any religion.
- **Better than other forms of government in correcting their mistakes** – In a democracy, there is no guarantee that mistakes cannot be made. No form of government can guarantee that. Mistakes cannot be hidden for long in advantage in a democracy. These mistakes have a space for public discussion and room for correction. Either the

rulers have to change their decisions or changed the rulers. A non-democratic government cannot happen this.

- **Enhances the dignity of citizens** – It is the basis of the principle of political equality. All the citizens have the same status whether rich or poor, educated or uneducated. They are rulers by them if people are not subjects of a ruler. According to the wishes and the needs of the people, the ruler has to rule or work. They can change him through election if the people do not like the ruler.

Arguments against Democracy:

1. **Lack of knowledge** – Many people don't know about the voting process they only know how to cast a vote. People should know the importance of their vote, the candidates and why to vote on that ballot. It is very important for us to have knowledge about voting. Due to lack of knowledge, if they choose the wrong candidate then the whole term suffers.
2. **Encourage Mob rule** – Mob rule is the con of democracy where political parties keep the mob on their side. During the election, each party will have one group on their side to make some interference or force voters to vote for them. In the future, they did many crimes if they are in the backhand of political parties. The party hired by the mob cannot make them go away as party members were also invisibly connected to the crime. It is harmful to society and the country because mob criminal activities and their illegal works are sanctioned and protected.
3. **Takes time to implement change** – The democratic structure suggests that when some big changes are to be implemented or changed then it will be decided only by voting. If they have to collect more votes the process requires time then this change might take years to be applied. It takes a long time to be sanctioned if the majority made the

declaration. In a democracy, the important and beneficial decision might take time to be applied.

4. **Divide and rule** – Divide and rule games are the worst cons of democracy. People-based on religion, race, and languages are done when some major incident is to be done or some events have to interfere with the division between them. To divide the votes, many of these incidents appear during elections time. They made them do their work behind the scenes and quietly when politicians have to do some unfair business applied in these types of policies. If these illegal activities are going on in the background then people will be talking about the other big issues. Many major events are used as a distraction.
5. **Increase greed** – This increase the greed for the worth they have earn as a politician always wants to be in power. What they started their career with and what they have become manipulate this. During his term, the status he gains in society, among family and friends, mostly his attitude makes him crave the position for a long time, and he wants to have it whatever the post they gave and just to enjoy the luxury.

Arguments in Favour of Democracy:

1. **Democracy is more Accountable:** A non-democratic government may occasionally fail to respond to the needs of the people, but this is entirely dependent on the wishes of the country's residents. No one can compel the authorities to do so if they do not want to. They don't even act. In a democratic administration, however, it is critical for rulers to attend to the needs of the people. As a result, it is a more accountable type of government.
2. **Better decision making:** When a democratic choice is made, it involves a larger number of people, multiple discussions, consultations, and meetings. Yes, it takes time, but it reduces the likelihood of making hasty or ambiguous decisions. It also increases

decision-making quality. People are going to have differing perspectives and interests in a diverse society, especially in a country like India. Because there is no permanent winner or loser, democracy is the only recognised means for resolving these conflicts.

3. As with any other system of government, mistakes are bound to occur under a democracy. However, it has the advantage of not being able to be disguised for long periods of time. In a democratic administration, public debate and correction are always welcome. Either the authorities must change their decisions or the people can change the rulers themselves. As a result, we might say that it enables us to repair our own flaws.

Today, modern democracy is the most effective system of government for ruling any country, great or little, wealthy or impoverished, educated or ignorant. All governments should strive for a liberal democracy, which is seen as the ultimate ideal. The democratic republic type of government is often known as the most humanitarian means of ruling people.

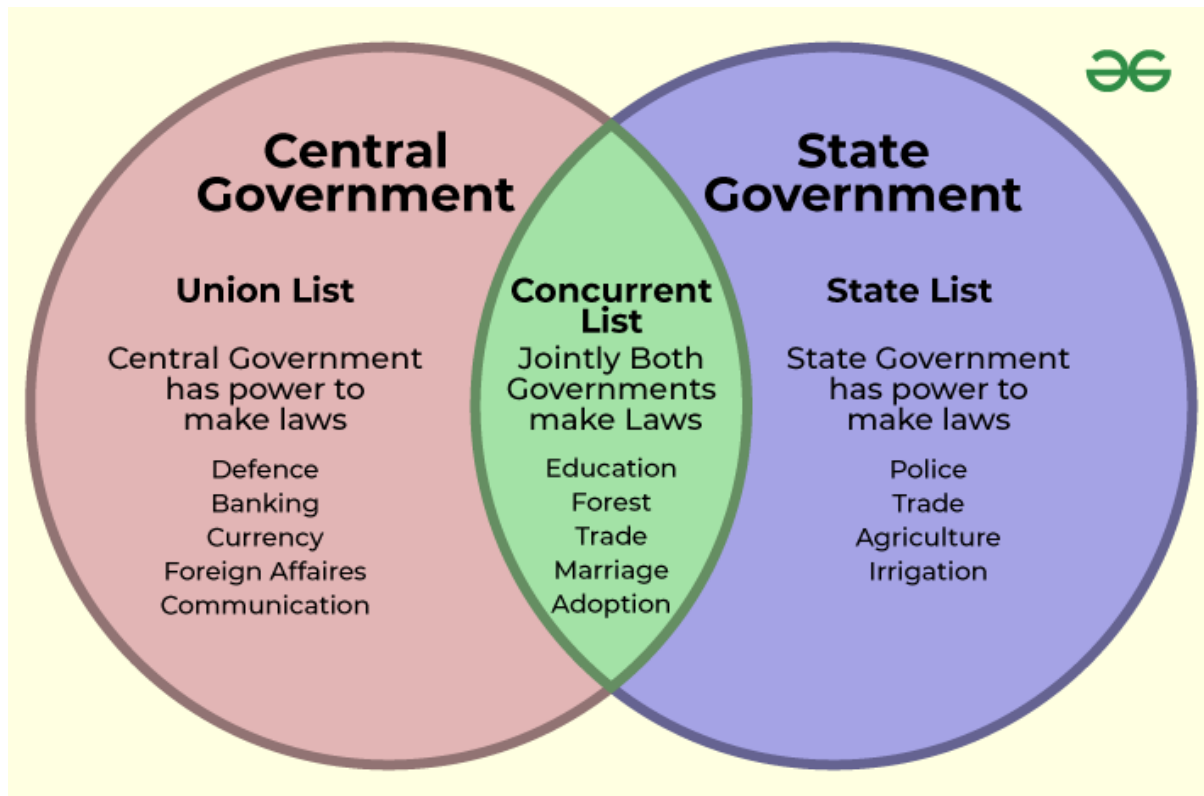
Administration Relation Between the Union and the State

(Central State Relations)

How has Power been distributed between Centre and State?

- India is governed by a federal structure.
- The provincial or state government and the central government both oversee the same territory in a federal organization.
- That means two levels of government are in charge of the same land.
- There is a larger risk of confrontation between the state and the center under such circumstances.

- There's a risk that the state and the federal government aren't run by the same political party, and there's a chance that power and control are distributed unfairly.
- So there should be norms and laws to identify what the state can regulate and what the center can govern to maintain peace.
- The division of powers is another term for this.



Power Distribution between the Centre and State:

- This division delegated authority to the State and the Center and issued regulations that results in the coordination between them

The Indian Constitution's 7th schedule lays forth the separation of powers. There are three different lists:

1. Union list
2. State list and
3. Concurrent list

- **The Union List:** The union list enumerates subjects over which the union or the federal government has legislative and regulatory authority. There are now 98 subjects. The union list includes topics such as defense, communication, foreign affairs, atomic energy, census, and so on.
- **The State List:** The state list includes a list of things or subjects over which the state government has total legislative jurisdiction. This list currently contains 59 entries. State police, health, agriculture, and local governments are among them.
- **The Concurrent list:** This list contains topics on which both the Parliament and the state governments can pass legislation. There are 52 subjects on the concurrent list at the moment. The concurrent list includes subjects such as civil procedure, electricity, drugs, marriage and divorce, social planning, and so on.
- **Residuary subjects:** These are topics that don't appear on any of the lists. The residuary matters are under the control of the parliament.

In Other Countries:

Only the central powers are listed in the United States Constitution; all other powers (residuary powers) are delegated to the states.

The central and provincial powers are stated in Canada, with the residuary powers placed in the state government.

In India:

In India, a similar situation to Canada exists. Except for the topics stated in the state list, the parliament or the center has power over everything. As a result, the Indian system is federal, with a powerful central government.

In case of conflicts:

- Even though the lists outlining and segregating the domains of authority between the center and the state are in effect, there is a good risk that power may overlap. The constitution has established the dominant levels of government based on the lists in the event of a conflict.
- In the event of a power conflict between the union and state lists, the union list will take precedence.
- If the state and concurrent lists overlap, the concurrent list will take precedence.
- In the event of a dispute between the union and concurrent lists, the union list will take precedence.
- In the concurrent list, if there is a dispute between the state and central law, the central law takes precedence. (If the state law is proposed for President's consideration, there is an expectation.)

Special conditions:**Certain special conditions are as follows-****Presidents Rule:**

- When a state is under the president's rule, the union has complete authority over any issue on the state list.
- In this circumstance, any laws passed by the parliament will remain in effect even after the President's rule ends.

During emergencies:

- During a national emergency, the Parliament will have complete control over the state list. The laws enacted during this time will become ineffective six months after the emergency has ended.
- During a financial emergency, the President can direct states to hold money bills and other financial laws passed by state legislatures for his consideration.
- Apart from the capacity of the Parliament to act directly on state topics under extraordinary circumstances, the Constitution authorizes the Centre to exercise control over state legislative concerns in the following ways:
 - The governor has the authority to reserve certain types of laws passed by the state legislature for presidential consideration. The president has complete control over them.
 - Bills on specific topics included in the State List can only be introduced in the state legislature with the president's prior approval.

Administrative relationship between the Union and the States

- Chapter II, Article 256 to Article 263 of the Constitution of India, 1949 deals with the administrative relationship existing between the Union and the States, and also with the Central's methods of controlling the States.

The following are the ways through which the Center exercises control over the States:

A) Direction to the State Governments by the Union Government

- According to Constitutional expert DD Basu; the Union's idea of directing the States is foreign and repugnant to the federal rule.

- However, this idea was adopted by our Constitution framers from the Government of India Act, 1935, viewing the peculiar scenario of India and special circumstances resulting in the emergence of the federation.

The obligation of the Union and the States:

- According to Article 256; the State's executive power shall be exercised in compliance with the Parliamentary legislation, and the executive powers of the Union shall be extended up to directing a State which as it may find necessary for the purpose.

Control of the Union over the States in certain matters

- According to Article 257; the exercise of the executive powers of the States must not impede or prejudice the exercising of the executive power of the Union, and the executive power of the Union shall extend up to directing a State which as it may find necessary for the purpose.
- Such directions by the Union Government may also extend to a State in 2 specific matters-
 - a) The construction and maintenance of the communication mean possessing national and military significance,
 - b) Measures to be adopted by the States in protecting the railroads situated within the perimeter of the States.

- This directive power by no means encroaches on the Parliamentary powers to declare highways or waterways as National Highways and waterways, and construct communication modes as a part of functions relating to the military forces of the Union.
- If any extra cost is incurred by the State Government, while carrying out the directions of the Union Government; relating to construction and maintenance of the national and military communication, or relating to the protection of the railroads within the States, then the Union Government shall pay such sum as agreed under this provision.
- If the Center and the States fail to agree regarding the payment of such compensation, then an arbitrator appointed by the Chief Justice of India shall decide on the matter.

Emergency Provisions

- Emergency provisions were adopted by the GOI Act 1935 which is given in part 18 from articles 352 to 360 in the Indian Constitution.
- The president has the power to impose an emergency over a nation or state or any part of the state from conditions like war, aggression or etc.

Types of Emergencies under the Indian Constitution:

1) National Emergency

- Under Article 352, National Emergency can be declared by the President of India due to war, armed rebellion, or external aggression.
- Approval by both the houses of the Parliament that is Rajya Sabha and Lok Sabha by the special majority within one month of the issue of the proclamation is required for this kind of emergency situation.
- The National Emergency so far has been declared only three times in India.

Consequences of National Emergency:

Some of the serious consequences of a proclamation of emergency are as follows:

1. The fundamental rights mentioned in Article 19 of the Indian Constitution remain suspended (according to Article 358).
2. The Parliament can make laws relating to the matters stated in the State List.
3. Article 20 (The right to protection from criminal prosecution) and Article 21 (the right to life and personal liberty) remain enforceable.

2) Constitutional Emergency:

- Constitutional Emergency is also known as the President's Rule or State Emergency and it occurs because of the failure of the constitutional machinery.
- According to Article 356, one of the reasons for the declaration of the Constitutional Emergency is that if the President is satisfied that a state cannot carry out its functions according to the provisions prescribed in the constitution, he can declare State Emergency.
- The duration of the emergency is from six months to not more than three years.
- Almost every state of our country has faced this state of emergency.
- It was imposed 4 times in Tamil Nadu in 1976, 1980, 1988, and 1991. The first State where this type of emergency was imposed in Punjab in the year 1952.

Consequences of Constitutional Emergency:

Some of the consequences of the Constitutional Emergency are:

1. The State Assembly is dissolved or suspended.
2. The Parliament takes the hold of the entire State's budget and makes laws regarding the State List.

3) Financial Emergency:

- Financial Emergency is under judicial review.
- However, the 38th Amendment Act of 1975 stated that the decision taken by the President regarding the satisfaction of the Financial Emergency is final and not questionable in any court and on any ground.
- But, the 44th Amendment Act of 1978 stated that the satisfaction of the President can be challenged in the court and it is not beyond judicial review.

A. Duration of Financial Emergency:

- A resolution can be passed by either Lok Sabha or Rajya Sabha only by a simple majority.
- The proclamation must be approved within 2 months from the date of its issue.
- Repeated parliamentary approval is not required. The proclamation may be revoked anytime by the President.

B. Manifestation of Financial Emergency:

- No use of Financial Emergency has ever been made so far.
- In 1991, a close situation arose due to a balance of payment crisis. Still, the emergency was not declared in India.

C. Consequences of Financial Emergency:

1. The Central Government shall give directions to the State concerning the financial matters or other related affairs of the Government.
2. Executive powers of the Central Government expands to a considerable degree.
3. The allowances and salaries of the authorities or employees working under the State may be reduced which also includes the judges of the Supreme Court and High Court.
4. Approval of the president is required for the Money bills and Money bills shall be reserved for this purpose.

5. The Central Government may also reduce the budget given to the States or can simply cut it also.

D. Significance of Financial Emergency:

- If a country is facing financial instability or crisis then the declaration of the provisions of Financial Emergency can help that country to easily overcome such situation.
- According to Dr. B. R. Ambedkar, Article 360 of the Indian Constitution followed the National Recovery Act, 1933 of the US which empower the President to make similar provisions to lessen the difficulties of the American people due to the Great Depression of the 1930s.

E. Circumstances under which Financial Emergency can be invoked in India

Some of the circumstances that can lead to Financial Emergency are mentioned below-

1. If there is growth in the fiscal deficit.
2. In case there is a decline in the credit ratings of the country.
3. The current account deficit is heightened.
4. There is a decline in Gross domestic product.
5. Provided that economic slowdown is prevalent.
6. In case of a decrease in the value of the Indian rupee.
7. There is doubt regarding the financial stability of the country. Financial instability is a loose term. Its meaning can be extended to a vast range of conditions that can exist in a country.

F. Criticism:

- The Central Government acquires complete authority over the financial matters of the State.

- This can lead to the Central Government's tyranny and poses a serious threat to the State's autonomy.
- Dr. B.R. Ambedkar, the Chief architect of the Indian Constitution also mentioned the mishandling and utilization of the Articles of the Constitution for political purposes. It was observed that the fundamental rights of the citizens will get useless due to emergency provisions.