



## UNIT 12

# Local Governments



### Learning Objectives

- ❖ This chapter provides insights in to the local governments in India and as well as in Tamil Nadu state.
- ❖ It also provides the significance of local self government today
- ❖ This chapter would explain the scope of the Local Self government in the lives of the people today.
- ❖ This chapter would throws light on historical development and the major changes that have been made in powers and functions of local government since independence.
- ❖ Students would learn the structure, functions, elections, sources of revenue and issues in the rural and urban local governments in India.



attend to any emergency situations, birth or death of persons in the village or town. The local governments are the institutions, which issues certificates of proof of residence, birth, death and incomes etc to the residents in that area. In total, the local governments are the institutions which are responsible for all such local needs of the people. They are the lowest unit of administration in the administrative structure of the government. The local government has council, which is normally elected by the people of the village or town concerned, which is responsible for the representing the problems of the citizens in the council and find solutions to the problems. The council representatives are elected once in five years, or four years, depending upon the law in operation in the country.

### 12.1 Meaning, Nature and Importance of Local Government

Local Government means, the government which manages services and amenities in our villages, towns and cities with focus on local problems. The local governments normally functions within a specified limited territory of a village, a town, a city and also a large metropolitan city. The local governments function as the basic link between the people in a village or town with the government. As and when people have problems such as road repairs, water stagnation in the streets, non functioning of street lights and construction of small water bodies recreation parks, etc. The local governments have the responsibility to

The local governments are representative institutions, representing people in the council. There are legally mandated to discuss and give solutions to the problems of the people of that area and also represent the problem to the higher levels of the government such as state. Since the local governments are established on the basis of democratic process, all the problems discussed by the council of the local governments should go through the process of discussion, debate and deliberations and unanimously accepted by the council. The members of

the council are given freedom to discuss and also to take decisions at same time within the framework of the fundamental law of the land called Constitution.

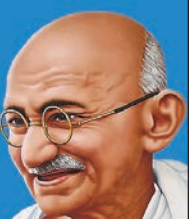
Therefore, local governments are the institutions created for the purposes of solving the local issues and addressing the local level problems. The local governments normally consist of elected representatives drawn from the local population representing the local people and they represent the local issues in the council and try to find solutions to the problems. The local governments are the important channel of flow of resources and programmes to the people at the lowest levels normally called “grassroots” level. No country today afford to ignore local governments because of the fact that local issues at present becomes global issues. With development of Information and communication Technology (ICT), the whole world have become global village.

### **Panchayati Raj: Gandhi Vs Ambedkar:**

Gandhi wanted the Central Government to have minimal power, and he wanted the villages to rule themselves traditionally with village chiefs and councilors. According to Ambedkar, village possessed a cruel reality of communalism and caste system; thus it will lead to the cornering of minorities.

My idea of Gram Swaraj is that it is a complete republic, independent of its neighbours for its own vital wants and yet interdependent for many others in which dependence is necessary.

- Mahatma Gandhi



Gandhi, through his social and political initiatives, made the country realize that the power of people could be

facilitated only through effective local self-government. “I shall work for an India in which the poorest shall feel that it is their country, in whose making they have an effective voice.” Gandhi time and again emphasized need for power in the hands of the people in India through the Panchayat Raj model. Gandhi said, “The greater the power of the people, the better for the people.”

For Ambedkar, those villages were nothing “but a sink of localism, a den of ignorance and communalism.” The dominant and influential communities would make villages their



monopoly and that would render other communities voiceless. The result was that the Constitution that was drafted under his Chairmanship did not mention a word about Panchayati Raj.

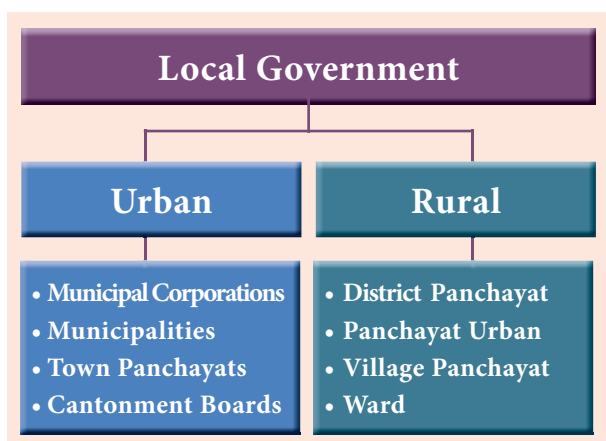
Many Gandhians persuaded the committee to have a provision for the village panchayats in Part IV of the Indian Constitution titled Directive Principle of State Policy vesting the responsibility in State legislatures. Article 40 states that the State shall take steps to organize village panchayat and endow them with such powers and authority as may be necessary to enable them to function as units of self-government.

### **12.2 Classification of local government institutions**

Local governments are classified as Rural and Urban based local governments. The Rural and Urban divide is made based on the nature of the occupation of the residents

viz; agriculture based or non-agriculture based occupations. The agriculture based occupation means that almost or most of the residents of an area are engaged in agriculture related occupation and the nature of the functions normally would be farming, dairying, poultry, and other similar types of activities. Whereas, in urban areas the citizens would engaged in industrial, trade and business and other activities.

The urban areas are the places where the people's livelihood is based on occupations in industry, trade, commercial institutions and administration like government offices and private company offices. The urban areas are the link between the outside world to the local villages. The local governments formed in rural and urban areas are called rural local governments and urban local governments respectively.



In India, the rural local governments have given general name “Panchayati Raj” which means the system of Panchayat institutions, that is, the institutions which does the panchayat, (deliberate, discuss, and deliberate). The Urban local governments in India are classified in to various types depending upon the political and economic basis of the formation of the urban local governments such as, Municipal Corporations, Townships, Area

Planning Committees and Cantonment Boards. For example, in India the urban local governments are classified into various types such, Municipal Corporations in metropolitan cities, Municipalities in small towns, Townships in industrial towns, Cantonment Boards in military establishments.

The Municipal Corporations are established in metropolitan cities with population with 1 million plus cities. The increase in the number of the population in metropolitan cities due to migration of people from rural and other small and medium towns and other metropolitan areas over the years make these cities mega polis.

The Municipalities are established in small and medium cities and town with population of less that 1 million. The Municipalities too are reclassified as Class I, Class –II etc., depending upon the number of the population and also range of the revenue collection. The grades of the Municipalities are reviewed periodically by the higher levels of the governments to facilitate the classification of the municipalities.

The Townships and the Notified Area Committees are emerging urban areas, where the new industries are established, the changing occupations of the residents of that area from farm employment to non-farm employment.

The Cantonment Boards are established in military establishments, where the defense establishments such as Training institutes for defense personnel, defense industry etc. Both the Rural and Urban local governments are lowest tier in the government hierarchy.



In various countries of the world, rural and urban local governments are organized differently. However, the basis and principles of which local governments are being established are almost the same. Local governments are being established for the local people with revenue predominantly derived from local resources. The upper layer of the governments normally does the function of supervision and monitoring the local bodies.

### ACTIVITY



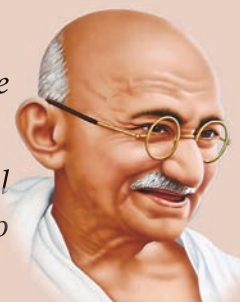
Find out the various kinds of taxes (property tax, water tax, drainage tax etc.,) people pay to the government by talking to a salaried person, a person running own factory or business and a shopkeeper. Share your findings in the classroom.

### ACTIVITY



*"Corporate cleanliness can only be ensured if there is a corporate conscience and a corporate insistence on cleanliness in public places"*

*Today on 2nd October, we pay homage to the father of our Nation and work towards his vision of providing basic sanitation facilities to the poor.*



### Towards Total Sanitation

- ❖ Revised Guidelines of Integrated Low Cost Sanitation (ILCS) Scheme with the goal of eradication of manual scavenging by 2010 and increased subsidy for urban poor for conversion of dry latrines to water sealed systems.
- ❖ Basic services (Water, Sanitation, Sewerage, Electricity, Health, Social Security, Affordable House) in all slums under Jawaharlal Nehru National Urban Renewal Mission (Basic Services to the urban poor and integrated Housing and Slum Development Programme) and Proposed Rajiv Awaaz Yojana (RAY) with individual water sealed toilets in each home.
- ❖ Emphasis on upgrading sewage, sanitation and solid waste management under JNNURM (Urban Infrastructure & Governance and Urban Infrastructure Development Scheme for Small & Medium Towns).
- ❖ Total Sanitation Policy announced by Government.

### 12.3 Local Government around the world

Local Governments are as old as that of human civilization and in many countries around the world local governments are the foundation upon which the modern state is established. A preliminary reading about the Local

Governments in various countries of the world show us that large or small, developed or under developed, some form of Local governments exist to deliver amenities and services at local level.

However they differ widely in their structure, powers, functional domain, fiscal resources etc. In many of







the European countries there has been efforts on the part of the government to decentralize the powers and functions, which were otherwise centralized. The question of devolution of finances, the jurisdictional issues in policing, transport and inter-state commerce are some of the pending and irritants in the case of the developed countries. Whereas in the developing countries, there is more and more attempt on the part of the central or federal governments to centralize the powers and financial resources. In India the constant pressure is being exerted on the central government for more devolution of administrative and financial powers to state as well as local governments.

#### **12.4 Origin and development of Local Governments in India**

In tracing the origin and development of local governments in India, one finds the evidences of the existence of local governments even before the times of Christ (BCE). The period between 600 BCE to C.E. 600 witnessed the rise and fall of republics. During this period, there emerged Mahavira (founder of Jainism) and Buddha (founder of Buddhism). Villages were classified according to size and mode of habitation in Jain and Buddhists literature.

The religious orders founded by Buddha and Mahavira observed highly democratic procedures in arriving at decisions. Kautilya's Arthshastra (Treatise) gives a comprehensive account of the system of village administration prevailing in his time. In the days of Maurya the village and the district were units of administration.

In the South Indian peninsula, the existence of the local self governing institutions could be traced well before the period of the Christian calendar. The historical period can be grouped in to early Chola period, Kalabira period, and the later Chola period, the emergence of Vijayanagara empire, entry of Muslims and Moghuls and the British. There were very little evidence available about the system of local governance in the early Chola Period (which dates back to Before Christ) and the Kalabira Period.

But there were some account of existence of local governments during the times of Pandyas (rulers of deep south India) and the Pallavas (rulers of mid South India). But Cholas (rulers who ruled Mid Tamil country) period witnessed a well developed local self governments. The inscriptions of Paranthaka Chola-I (919.ADCCE – 922.ADCCE) from Utthiramerur in Kanchipuram district of Tamilnadu state, give detailed account of local self government. They inform that each village had an assembly consisting of all adult males and their involvement in general matters. These assemblies are of two types, the "Ur" and the Mahasabha". The third kind was the nagaram (town) confined to mercantile towns (trading centers) and the fourth was the "nadu". Hence two types of institutions were mentioned one nadu (village and other areas) and nagaram (urban centers).

In general there is little information on the functioning of any village assemblies prior to the 9<sup>th</sup> century. Both "nadu" and "Nagaram" were concerned about the control and regulation of land holdings, management of irrigation works,



temples, collection and remission of taxes, floating of loans for capital works and the management of charitable institutions. The “ur” and the “mahasabha” were the two institutions that assisted the officers in executing the orders of the king.

It has been found that Raja Raja Chola, the First, ordered the “mahasabha” of the Viranarayana Chaturvedi Mangalam to confiscate the property of traitors. Many historians such as Sir Charles Metcalfe, Sir George Bird wood and Eliphinstone opined that a strong system of local government existed in Ancient and medieval South India. But doubts are expressed by some of the historians about the elaborate existence of the local self government in ancient and medieval South India. The Mahasabhas and Kudavolai were confined to Brahmin settlements

During the Moghul period A.D (C.E.)1500 to A.D (C.E.)1777), the fundamental principles of central local relationships hardly changed with change of kingdoms. When the Mughal Empire was at its zenith of glory, it was divided into provinces (Subhas), and Provinces into sub divisions (Sarkars), and Sarkars into union of villages (Paraganas). At each level the government is organized and the officials were appointed by the Emperor. In the Twilight of the Mughal Empire, the self governing institutions in rural areas had been severely damaged at vital points, but they had withstood the onslaughts with remarkable tactics.

After the Battle of Plassey in A.D (C.E.) 1757, the British East India Company derived land taxing rights (Diwani rights) from Bengal ruler (Nawab), which was the

first step in the ascendancy of the British rule in India. The rural and the other urban trading centers during the British East India company rule, was not under any control or supervision, except the three Presidency towns of Calcutta, Bombay and Madras. The District administration under the charge of the district collector was the king pin in the British control over vast rural areas.

The important mile stone during the company rule was the establishment of the Municipal Corporations, as mentioned earlier at Calcutta (Kolkata), Bombay (Mumbai) and Madras (Chennai). Viceroy Lord Rippon in 1882 brought out a resolution, proposing a smaller unit for constituting rural local boards, a sub division, tehsil (taluk) and district boards to supervise.

Lord Ripon’s resolution emphasized that the institutions he proposed should have a majority of non-officials who should be elected wherever it was feasible. Nearly 500 rural boards were created with a two third majority of non officials who depended upon the district magistrate (district collector) for the favour of nomination. The main activities of the district boards till 1909 were police, public works, education and village sanitation.

The rural local government introduced by Lord Ripon faced many criticisms and in the A.D (C.E.) 1907, the British government appointed a commission to enquire into the question of administrative and financial relations between the Government of India, Provincial governments and subordinate authorities under them so as to simplify



and improve the prevalent system through devolution or otherwise. With the passing of Government of India Act, 1919, the local governments were entrusted with the elected elements of the provincial government under the diarchy system of government.

The number of the village bodies in Tamilnadu increased from 1417 in 1926 to 6250 in 1937. There are three tier system of rural local bodies viz; District Boards, Taluk Boards, and Village Boards. The District and Taluk boards have undergone changes by 1923, the non-official chairman in all provinces replaced official chairman. In Tamilnadu, most of the District Boards came to be dominated by Justice Party members, which stood at 545 in 1927. From 1937 upto 1947, the rural local authorities faced many challenges including the national freedom movement.

After Indian Independence in 1947, an attempt was made to revive local governments in India. Mahatma Gandhi argued for the decentralized administrative system in India entrusting responsibility of governance with the village panchayats (self sufficient Gram Swaraj). Shriman Narayan with blessings of Gandhiji published a blue print of the Gandhian Constitution for Free India wherein panchayats are the basic institutions for organizing social, economic and political activities of the citizens. In addition to the civic, political and administrative roles, the Panchayat was to play the economic role of organizing production and distributing resources in such a way that the village communities became self sufficient for meeting most of their basic needs.

Thus Article 40 came to be incorporated in the Constitution, as part of the Directive Principles of the State policy (Part -IV) of the Constitution of India adopted on Nov. 26<sup>th</sup> 1949. The Art. 40. States that, “ the state shall take steps to organize village panchayats and endow them with such powers and authority as may be necessary to enable them to function as units of self government”

In compliance with the provisions of the Directive Principles of the State Policy, an ambitious rural sector initiative, the Community Development Programme was launched in 1952 with main focus of securing social- economic transformations of village through people's own democratic and cooperative organizations with the government providing technical services, supply and credit. This programme was extended to most of the blocks as National Extensions Service aimed at transferring scientific and technical knowledge to agricultural, animal husbandry and rural craft sectors. In 1956, under the Second Five Year Plan, (1956-1961), it was recommended that village panchayats should organically link with popular organizations at higher levels and in stages, the popular body should take over the whole administration. In 1957, Government of India appointed a Committee on Plan Projects under the Chairmanship of Balwant Rai Mehta. The Mehta Committee recommended two points namely, the administration should be decentralized and the administration should be placed under the control of local bodies.

Secondly, the community development blocks should be designed as administrative democratic units with an elected Panchayat Union to operate





as a fulcrum of developmental activity in the area. It also recommended for the formation of District Development Councils (Zila Parishad) at the district level consisting of all the Presidents of the Panchayat Unions (Samities), Member of legislative assemblies and Members of Parliament with district level officers of the public health, agriculture, veterinary and education departments as members and the collector as the chairman. The district body is only an advisory body. The recommendation of the Mehta Committee were generally welcomed and Panchayati Raj legislations were enacted and by 1960s about 90 per cent of the population were covered by the Panchayati Raj bodies.

In 1977, the Government of India formed a committee under the chairmanship of Ashoka Mehta to go in to the working of the Panchayati Raj bodies and suggest measures to strengthen it. It recommended that Panchayati Raj should emerge as the system of democratic local government, discharging developmental, municipal and ultimate regulatory functions. Hence the first recommendation was to set up district Panchayat (Zilla Parishad) as the directly elected body. As a temporary arrangement, the committee recommended continuation of the Panchayat union at the block level. Not as a unit of local self government but as a nominated middle level support arm for the District Development Council. The Ashoka Mehta Committee submitted its report in 1978, which was well received and led many states to introduce appropriate amendments in their Panchayat Acts such as Karnataka, Maharashtra, Andhra Pradesh, West Bengal and Gujarat.

A number of committees were formed between 1978 and 1986, to look into various aspects of strengthening the local self government institutions, such as, C.H. Hanumantha Rao Committee, G.V.K Rao Committee and L.M. Singhvi Committee. Only minor changes were suggested by these committees from the Ashok Mehta committee. The next landmark was the introduction of 64<sup>th</sup> and 65<sup>th</sup> Constitutional Amendment Bills, in July 1989 by Rajiv Gandhi government, which could not be passed in the Council of States (Rajya Sabha).

After many attempts, in 1992, incorporating important features of earlier exercises on this subject, government drafted and introduced the 73<sup>rd</sup> and 74<sup>th</sup> Constitutional Amendment bills in Parliament in 1992 which were passed by the Indian Parliament in 1993. The 73<sup>rd</sup> and 74<sup>th</sup> Constitutional Amendments introduced new parts IX and IXA in the Indian Constitution containing Articles 243 to 243 ZG.

### **12.5 73<sup>rd</sup> Constitutional Amendment – implementation and implications. (Panchayat Raj Act)**

Article 243 B of the Constitution which was inserted into the Constitution under the 73<sup>rd</sup> Constitutional Amendment, envisages that states and union territories except those with population not exceeding 20 lakhs, will have to constitute a three tier system of Panchayat i.e., village, intermediate and district levels. While the district has been defined as a normal district in state, the jurisdiction of village and intermediate levels have not been specifically defined in the Act.





The territorial area of a village Panchayat can be specified by a public notification by the Governor of the state, and may consist of more than one village. Similarly, the intermediate level which can be a Taluk or Block is also to be specified by the Governor through a public notification in this regard. This provides a certain amount of flexibility to the States in constituting Panchayats at the lower and middle levels.

A new schedule, Eleventh Schedule was inserted in to the Constitution of India, which provided for obligatory and discretionary functions of the Panchayats at three levels,

- (a) The Village Level
- (b) The District Panchayat at the district level
- (c) The Intermediate Panchayat which stands between the village and district Panchayats in the states where the population is above 20 lakhs

All the seats in a Panchayat shall be filled by persons by direct election from territorial constituencies in the Panchayat area. The electorate is named as “Gram sabha” consisting of persons registered in the electoral rolls relating to a village comprised within the area of a Panchayat.

#### Eleventh Schedule (Article 243 G)

- ❖ Agriculture, including agricultural extension
- ❖ Land improvement, implementation of land reforms, land consolidation and soil conservation
- ❖ Minor irrigation water management and watershed development
- ❖ Animal Husbandry, dairying and poultry
- ❖ Fisheries
- ❖ Social forestry and farm forestry
- ❖ Minor forest produce
- ❖ Small scale industries, including food processing industries
- ❖ Khadi, village and cottage industries
- ❖ Rural housing
- ❖ Drinking water
- ❖ Fuel and fodder
- ❖ Roads, culverts, bridges, ferries, waterways and other means of communication
- ❖ Rural electrification, including distribution of electricity
- ❖ Non-conventional energy sources
- ❖ Poverty alleviation programme
- ❖ Education including primary and secondary schools
- ❖ Technical training and vocational education
- ❖ Adult and non – formal education
- ❖ Libraries
- ❖ Cultural activities
- ❖ Market and fairs
- ❖ Health and sanitation including hospitals, primary health centres and dispensaries
- ❖ Family welfare
- ❖ Women and child development
- ❖ Social welfare including welfare of the handicapped and mentally retarded
- ❖ Welfare of the weaker sections and in particular of the scheduled castes and the scheduled tribes.
- ❖ Public distribution system
- ❖ Maintenance of community assets.





The Chairperson of each Panchayat shall be elected according to the law passed by a State and such State law shall also provide for the representation of Chairpersons of Village and Intermediate Panchayats in the District Panchayat, as well as members of the Union and State legislature in the Panchayats above the village level.

Hence, the new Amendment Act provided for participation of Members of Parliament and Members of Legislative Assemblies in the Panchayat Union Councils and also in the District Panchayats. The Amendment Act also provided reservation of seats in the three tiers for Scheduled Castes and Scheduled Tribes and not less than one third of the total seats for women. The tenure of the Panchayats shall be five years.

The law provides that any person who is eligible to be elected to the state legislature shall be qualified to be chosen as a member of a Panchayat. The responsibilities of the Panchayats are clearly laid down in the Eleventh Schedule. (Box.1). Like the National Finance commission, the Constitution Amendment Act also provided for the State Finance commission for recommending the formula for transfer of the financial aid to local governments from the states.

**DO YOU KNOW?**

There are around 2,50,000 village panchayats in India as per 2011 Census

Consequent to the 73<sup>rd</sup> Constitutional Amendment as well as the Supreme court's rulings which effectively mandate that local authorities are also to be treated as

“Government or state”, The Panchayats that have acquired substantial legitimacy are recognized as an instrument of the Government and have created participatory structure of grass roots democracy for the rural people. Creation of constitutional bodies like the State Election Commissions and the State Finance Commissions have also given permanency and stability to these institutions. However, most Panchayats continue to be treated as agencies of the state for implementation of prescribed schemes, even though essential services such as provision of drinking water, rural sanitation, preventive health and primary education are accepted as their legitimate core functions. The structure of district administration under the control of the Collector, characteristically by a command structure and lack of horizontal coordination at the grass roots level, has become somewhat anachronistic in the modern democratic framework of our polity. In order to make local administration more responsive transparent and accountable to citizens there is a need to have a representative government not only in the Union and States but also at the District and Village levels with an equitable division of functions among them.

**DO YOU KNOW?**

### **Panchayati Raj (1959 – 2009)**

Golden Jubilee Year – on 2nd October 1959, Pt. Jawaharlal Nehru laid the foundation of Panchayati Raj in Nagaur, Rajasthan; the most revolutionary step in the context of governance of rural India. The journey which commenced with the commitment of comprehensive development of villages and to put power in the hands of people.



### **Three tier Panchayati Raj system under 73rd Constitutional Amendment(1993)**

- ❖ District Panchayats (Elected and nominated)
- ❖ Panchayat Union Councils (Elected)
- ❖ Village Panchayats (Elected)
- ❖ Gram Sabha (All Voters in a village) (Advisory Body)



The Grama Sabha meetings are held four times in a year i.e. January, 26 (Republic Day), May, 01 (May Day) August, 15 (Independence Day) and October, 02 (Gandhi Jayanthi).

## **12.6 74<sup>th</sup> Constitutional Amendment Implementation and Implications (Nagarpalika Bill)**

Under the 74<sup>th</sup> Constitutional Amendment, the urban areas comprise different types of municipal bodies constituted with reference to character, size and importance of different towns and cities. Municipal Corporations, Municipal Committees, Notified Area Committees, Town Area Committees, and Cantonment Boards are the usual types of municipal bodies and while the first four types were created under the state municipal laws, the Cantonment Boards owed their origin to the Central Act called the Cantonments Act, 1924.

In most of the states, all these types of urban local bodies existed except the Town Area Committees, which had since been abolished and converted into

class – III Municipal Committees. Town Area Committees were semi municipal committees constituted for small towns by a separate act of the state legislative assembly.

After passing the Constitution (74<sup>th</sup> Amendment) Act, 1992, the Government of India notified the Amendment in June 1993. The Act of 1992 provided for a period of one year from the date of its commencement, the states were required to change amend or modify their legislations in order to incorporate the Central Amendment. Various states and union territories have enacted legislations for the governance of the urban local bodies in their respective jurisdictions. For example, the Punjab government enacted the Punjab Municipal Bill, 1998 to replace the Punjab Municipal Act, 1911.

A three tier structure of urban local bodies were proposed in the 74<sup>th</sup> Constitutional Amendment act namely, Nagar Panchayat or Town Panchayat, Municipalities and Municipal Corporations. We shall discuss briefly the details of the above three urban local bodies established under the 74<sup>th</sup> Constitutional Amendment Act.

### **Nagar Panchayat or Town Panchayat**

A Nagar Panchayat or Town Panchayat is constituted for a transitional area, i.e., an area in transition from a rural area to an urban area. The population of such an area is 5000 or more but less than 15,000 and the revenue generated from tax and sources exceeds such amount per capita per annum as may be specified by the government

from time to time. Every Nagar Panchayat is a body corporate and has a perpetual succession and a common seal with power to acquire and hold, or dispose of properties and may sue and sued.

A Town panchayat shall consist of such number of elected members not less than 9 or not more than 15, as the state government may determine by rules. The members of the legislative assembly representing the constituencies comprising transitional area or any part of thereof, and two members nominated by the state government from amongst persons having special knowledge or experience in municipal administration. The nominated members shall not have the right to vote in the Town panchayat meetings. The term of a Town Panchayat shall be 5 years.

The government shall divide a transitional area (town panchayat area) in to a number of territorial constituencies known as wards and each ward shall elect only one member. Out of the total number of seats in Town Panchayat to be filled by direct election, seats are reserved for Scheduled Castes (SC) and Scheduled Tribes (ST) in the same proportion of the population of SCs and STs to the total population of that town panchayat area. In addition, one third of the total number of seats of that area are reserved for women, including the seats reserved for SCs and STs. The town panchayat members shall be elected from amongst its members, One President and one Vice President in a meeting convened by the Deputy commissioner. Every Town Panchayat shall perform obligatory functions such

as water supply, drainage, clearing the streets etc. Every town panchayat shall have an executive officer appointed by the state government

### Municipal Council

A Municipal Council or municipality is constituted for a small urban area with a population of 15,000 or more but is less than 3 lakhs and the revenue generated from the tax and other sources exceeds such amount per capita per annum as may be specified by state government from time to time.

Municipality Grade	Population
<b>Class A</b>	1 Lakh or more
<b>Class -B</b>	50,000 – less than one lakh
<b>Class – C</b>	Less than 50,000

A Municipal Council or Municipality for example in Class-A, not less than 20 and not more that 50 elected members; Class-B 15-30, and Class-C, 10-15. The members of State Legislative Assembly representing the constituencies lying within the municipal area are “Ex-Officio” members of the Municipal Council. Not more than 3 members are nominated by the state government. The nominated members do not have the right to vote in the elections of the chairpersons and vice chairpersons. The members are elected through secret ballot.

The whole municipal area is divided into wards, as per the number of councilors to be elected , say 15 or 30 or 10 . The electoral rolls of the legislative assembly in relation to municipal area





are generally taken as the voters list. The candidates contesting in the elections are allotted symbols. The symbols of the recognized political parties are allotted only to the candidates sponsored or adopted by them.

The Deputy Commissioner has to call the meeting of the elected members within 14 days of the notification of the election results to administer the Oath of office and to hold the election of the President and Vice-President. As that of Town Panchayats, seats are reserved for the SCs and STs according to the proportion of the population of SCs and STs to the total population of the municipal area. In addition, 30 per cent of total seats are reserved for women including the SCs and STs seats.

The 74<sup>th</sup> Amendment provide the constitution of ward committees consisting of one or more wards within the territorial area of a Municipality, having a population of 3 lakhs or more. A member of a Municipality representing a ward within the territorial area of the ward committee shall be a member of the ward committee. The Standing Committees shall be constituted for each Municipality consisting of the President, senior Vice-President, and Vice president and 4 other members in the case of Class- A, 2 in the case of Class-B from among the elected members for a period of 2 and half years. The term of office of Municipality is five years. The elected municipality can be dissolved if it is not performing as per the provisions of law.

The Municipal Council meets at least once in a month, presided over by the President or in his/her absence

Vice- President. The Municipal Council with the increasing load of work, elects subcommittees comprising councillors from amongst itself to study a problem in depth and make recommendation for its solution. The sub committees are of two types statutory committees and, non-statutory committees. Municipal bodies also appoint special sub committees for certain specific purposes and follow the same procedure for their election as it adopts the constitution of standing sub committees.

A Municipal Council elects its President from amongst members within one month of the constitution of Municipal Council. The Municipal Council is constituted after elections are held. The President is elected for a period of 5 years. The Municipal Council also elects one or two Vice- Presidents. The Presidents of the municipalities in various states draw monthly salary in addition to travelling allowance . The President convenes and presides over the meeting of the Municipal Council. He / She is empowered to take disciplinary action against offending councilors. The President is the chief spokesperson of the Municipal Council and represents it at official functions and also with regard to correspondence with the government.

The state government in every municipality appoints an Executive Officer. The Executive Officer is the principal executive authority and all municipal staff is sub-ordinate to him/her. He/ She is the important officer to execute, supervise monitor and report the activities of the Municipalities to





### **Twelfth Schedule of the constitution: Powers and Responsibilities of Municipalities**

- ❖ Urban Planning including town planning
- ❖ Regulation of land use and construction of buildings
- ❖ Planning for economic and social development
- ❖ Roads and Bridges
- ❖ Water supply for domestic purposes,
- ❖ Public Health, sanitation conservancy, and solid waste management
- ❖ Fire services
- ❖ Urban forestry, protection of the environment, and promotion of ecological aspects
- ❖ Safeguarding the interests of weaker sections of society, including the handicapped and mentally retarded
- ❖ Slum improvement and up gradation
- ❖ Urban poverty alleviation
- ❖ Provision of urban amenities and facilities such as parks, gardens and play grounds
- ❖ Promotion of cultural, educational and aesthetic aspects
- ❖ Burials and burial grounds, cremations, cremation grounds and electric crematoriums
- ❖ Cattle ponds, prevention of cruelty to animals
- ❖ Vital statistics including registration of births and deaths
- ❖ Public amenities including street lighting, parking, bus stops and public conveniences
- ❖ Regulation of slaughter houses and tanneries

the council. The Municipal Council is the governing body of the Municipality, responsible for Municipal Administration. It makes by laws the governing place and time of council meetings, the manner of giving notices, the conduct of meetings.

The councilors are expected to keep themselves in touch with the citizens and enquire about their grievances against municipal staff, and bringing to the notice of the appropriate administrative head or to raise the matter in the council meetings. The powers and responsibilities of municipalities are enshrined in the Twelfth Schedule of the Constitution. (See Box-2)

The 74<sup>th</sup> Constitutional Amendment provided the constitution of committee for district planning, to prepare a draft

development plan for the district as a whole. The Committee shall consolidate the plans prepared by the panchayats and municipalities in the district. The composition of the District Planning Committee as provided in the Act of 1992, consists of that not less than 4/5<sup>th</sup> of the total members of the committee. They shall be elected by and from amongst the elected members of the Panchayats at the district level and of the municipalities in the district, in proportion to the ratio between the population of the rural areas and of the urban areas in the district.

The Municipalities have been provided with the power to raise revenue for discharging its duties and performing its functions such as the taxes, duties and



fees which could be levied and collected by the Municipalities (For example: tax on lands and buildings, scavenging tax on octroi, a tax on advertisements, a fire tax, toll on roads and bridges etc) the 74<sup>th</sup> Amendment Act made it obligatory for the state governments to constitute State Finance Commission within one year from the commencement of Act.

**The State Finance Commission shall make recommendations regarding:**

- (i) Distribution between the state government and municipalities of the net proceeds of taxes, duties, tolls and fees to be assigned or appropriated by the state;
- (ii) Allocation of share of such proceeds between the municipalities at all levels in the states;
- (iii) Determination of taxes, duties tolls and fees to be assigned or appropriated by the municipalities;
- (iv) Grants-in-aid to fund the state;
- (v) Measures needed to improve the financial position of the municipalities.

However in practice, the Municipalities in our country undertake only such functions which have been specifically assigned to them by respective state legislative enactments. This restrictive approach to municipal functions no longer holds good in the changed political context and needs of the country. There has been increasing tendency on the part of the state government to take over more and more local functions either directly or by creating special purpose agencies.

## **Municipal Corporations**

The Municipal Corporations constitute the highest or the top most form of urban local government in India. They are created for big cities by the enactments of the State Legislatures or of the Parliament in the case of Union Territory. The various categories of the cities are determined by its population, area or revenues. Municipal Corporations in the early period were established in three Presidency towns viz; Bombay, Madras and Calcutta. A Municipal Corporation is based on the democratic principle of management of local affairs by the representatives of the people of the city concerned, who are to be elected periodically on the basis of universal adult franchise with reservation of seats for SCs and STs in proportion to their population and also for women. The Municipal Corporation is marked by statutory separation of deliberative and executive wings.

The Corporation Council and the Standing Committees constitute the deliberative wing and the executive wing. The Council, consisting of elected representatives and a few nominated members, is responsible for the exercise of legislative powers. The Standing Committees function as an auxiliary of the Corporations. All the matters to be passed by the council pass through it after it considers the proposals and recommendation made by the Municipal Commissioner. The Municipal Commissioner is the chief executive and implementing the decisions taken by the council.



Municipal Corporations in India are generally structured on the pattern of Bombay Municipal Corporation. The tenure of the Municipal Corporation is 5 years. The 74<sup>th</sup> Amendment provides wards committees, which shall be considered for one or more wards within the territorial areas of the Corporation. The chairperson shall be elected for one year and shall be eligible for re - election. A ward committee supervises provision of water supply, pipes and sewage, drainage connections to premises removal of accumulated water on streets or public places due to rain or other, collection and removal of solid waste, provision of health immunization, services for the civic services in slum and lighting, repair of roads, maintenance parks drains and etc.,.

A Municipal Corporation shall have a Standing Committee constituted by it, consisting of Mayor, the senior deputy Mayor and other councilors elected by the councilors of the Corporation from amongst the members. The Mayor shall be the chairperson of the Standing Committee. The Municipal Corporation also constitutes committees to deal with subject matters such as water supply, sewage etc.,. Each subject committee shall consist of not less than three and not more than five members.

The term of the subject committees is one year. The Municipal Corporations have been provided with financial resources to carry out its duties assigned to it by the 74<sup>th</sup> Amendment. A list of 18 functions to be performed by Municipal Corporations has been given in the 12<sup>th</sup> Schedule of the Constitution. Like the 73<sup>rd</sup>

Amendment Act, the 74<sup>th</sup> Amendment Act also provided for a committee planning metropolitan area.

The Committee consists of not less than 2/3<sup>rd</sup> of the members who shall be elected by and from the elected members of the Municipalities and chairpersons of the panchayats in the metropolitan area in proportion to the ratio between the population of Municipalities and of the Panchayats in that area.

All Municipal Corporations are provided with the office of the Mayor and Deputy Mayor. Mayor in some states are directly elected by all the voters with in the metro city. In some states, Mayor is elected from amongst the elected councilors. The Mayor presides over council meetings, guide its deliberations to maintain decorum and exclude any objectionable portion from the record of the proceedings of the council. He/ She is also empowered to expel and even suspend members for gross misconduct or disorderly behaviour. In case of a tie he/she exercises his /her casting vote.

The Municipal Commissioner is the chief executive officer of the Corporation. Normally the commissioner is being appointed from officers in I.A.S (Indian Administrative Service) cadre. The commissioner's appointment vested in the state government, has been a subject of great controversy. The term of the commissioner is three years, which can be extended by the state government. He/she is one of the statutory municipal authorities to carry out the provisions of the Corporation Act.





## ACTIVITY



### Cities Face Five Systemic Challenges

- A. Lack of modern contemporary framework of spatial planning of Cities and design standards for public utilities such as roads, footpaths, bus stops and other underground utilities.
- B. Weak finances, both in terms of financial sustainability and Financial accountability of cities.
- C. Poor Human Resource Management, in terms of number of staff, Skills and competencies of staff, organization design among others.
- D. Powerless mayors and city councils and severe fragmentation of Governance across municipalities, parastatal agencies and state departments.
- E. Total absence of platforms for systematic citizen participation and lack of transparency in finances and operations of cities.

*Source : Annual Survey of India's City Systems (ASICS)*

*Courtesy : The New Indian Express, 15.3.2018.*

### 12.7 The case of Tamilnadu

The Tamilnadu State Election Commission established under the 73<sup>rd</sup> and 74<sup>th</sup> Constitutional Amendments, gives a brief account of the status of local government in the state of Tamilnadu.

As stated by the Tamilnadu State Election Commission, under the 73<sup>rd</sup> Constitutional Amendment Act (Rural Local Bodies) the government of Tamilnadu as a constitutional obligation has taken into account important points including: formation of Gram Sabha in every village with powers of general supervision over the elected village Panchayat and the power to grant approval to the annual plans of the Panchayats; formation of three tier Panchayats i.e., District Panchayats, Panchayat Unions and Village Panchayats made obligatory; reservation of seats for weaker sections of society like SCs, STs and Women; powers to impose taxes and provision for grants, assignments etc., from government funds through constitution of a State Finance Commission.

Under the 74<sup>th</sup> Constitutional Amendment Act, devolution of more functions and taxing powers; revenue sharing with state governments; regular conduct of elections; reservation of seats for SCs and STs and for women; uniform composition of the urban bodies throughout the country were provided.

Following 73<sup>rd</sup> constitutional amendment the Tamilnadu Panchayats Act was passed in 1994, which replaced the earlier Tamilnadu Panchayats Act, 1958. The Tamilnadu Panchayats Act, 1994 was amended in 1996. The Act of 1996 provided as far as Panchayats are concerned : to plan for their developmental needs, constitution of District Planning Committee; constitution of State Election Commission and constitution of State Finance Commission. In the first elections under the 1994 Act, 1,17,000 representatives were elected for the three different tiers of local government across Tamilnadu.



**DO  
YOU  
KNOW?**

The State of Tamilnadu has 12,620 village panchayats, 385 panchayat unions and 30 district panchayats.

### Urban Local Governments

As far as urban local bodies are concerned, the 74<sup>th</sup> Constitutional Amendment Act, paved the way for setting up urban local bodies in various states. Elections were held to the rural and urban local bodies in Tamilnadu in 1996, 2001, 2006 and 2011.

### 12.8 Contemporary Issues

There are many issues which are highlighted by the experts in the field of local governance from time to time. The main issues brought out by the experts are provided in the following section. First there is considerable expansion in responsibilities of local governments, which were previously state government responsibilities.

**DO  
YOU  
KNOW?**

#### Panchayati Raj (1959 – 2009)

The Tamilnadu Municipal Laws (Fourth Amendment) Bill, 2018 and the Tamilnadu Panchayats (Second Amendment) Bill, 2018 – for extending the tenure of the special officers of the urban and rural local bodies for a period of six more months.

Taking into account the capacities of the levels of government and the line of control, throughout government apparatus should be considered and reclassification of list is needed. Second, maintenance of village courts is also an important issue, where the policing is state wise centralized, which can not entrusted practically to the local governments.

Third, urban local bodies are entrusted with many functions out of which many of them are connection with the state government departments.

In sum, the 73<sup>rd</sup> and 74<sup>th</sup> Constitutional Amendment Acts brought reforms in local government in India. The rural and urban local bodies prior to the reforms were the creation of the British. Many new and innovative changes were brought in the amendments. So far only 18 states in India have ratified or approved the amendments in their legislative assemblies, which is required as per the law. In addition, many state government even after enacting the amendments and ratified them, have not put in to operation many provisions, because of the issues mentioned above. Unless these issues are resolved, the objectives for which the 73<sup>rd</sup> and 74<sup>th</sup> amendments were made, could not realized.

**DO  
YOU  
KNOW?**

There are 15 Municipal Corporations, 152 Municipalities and 561 Town Panchayats in Tamilnadu as urban local bodies.

### Glossary



**Municipal Corporation:** Municipal Corporation is the legal term for a local governing body. A Municipal Corporation or city corporation is a local government in India that administers urban areas with a population of more than one million.

**Municipality:** A Municipality is usually a single urban or administrative division having corporate status and powers of self-government or jurisdiction as granted by national and state laws to which it is subordinate.



**Cantonment Board:** A Cantonment Board is a civic administration body in India under the control of the Ministry of Defence. The Board comprises elected members besides ex-officio and nominated members as per the Cantonments Act, 2006.

**Town Panchayat:** A town panchayat is a small town of approximately 20,000 to 25,000 inhabitants. It is formed under the panchayati raj administrative system.

**Panchayati Raj:** Panchayati Raj generally refers to the system of local self-government in India introduced by a Constitutional Amendment in 1992,

**Gram Sabha:** Gram Sabha is a body consisting of all persons whose names are included in the electoral rolls for the Panchayat at the village level.

**Mayor:** Mayor is a person who is elected or chosen to lead the group who governs a town or city

**Ward:** A ward is a local authority area, typically used for electoral purposes.

**Nagar Palika:** In India, Nagar Palika, is an urban local body that administers a city of population 100,000 or more

**Councillor:** A member of a council

**Dyarchy:** Government by two independent authorities (especially in India 1919–35).

## Evaluation



### I Choose the correct answer:

1. When was the Madras (Chennai) Municipal Corporation established ?

- (a) 1870
- (b) 1882
- (c) 1687
- (d) 1992

2. When was the Lord Rippon's Resolution adopted ?

- (a) 1992
- (b) 1858
- (c) 1882
- (d) 1870

3. The dyarchy system was established for the first time under

- (a) Government of India Act, 1909
- (b) Government of India Act, 1919
- (c) Government of India Act, 1935
- (d) Government of India Act, 1958

4. The Nagarpalika Bill was passed in the year

- (a) 1989
- (b) 1990
- (c) 1991
- (d) 1992

5. What is the percentage of reservation of seats in local bodies for women under 73rd and 74th Constitutional Amendment Acts?

- (a) 45
- (b) 50
- (c) Proportionate to the percentage of population of women in the constituencies
- (d) 20





6. State Finance Commission is the organ responsible for
- (a) Recommend to the state government about sharing of taxes between state and the local bodies
  - (b) Recommend to the state governor on the issue of elections
  - (c) Recommend to the President of India on issues connected with financial emergencies
  - (d) Recommend to the chief Minister about the law and financial situations in the state
7. District Planning Committee is provided under
- (a) 93<sup>rd</sup> Constitutional Amendment Act
  - (b) 73<sup>rd</sup> Constitutional Amendment Act
  - (c) 89<sup>th</sup> Constitutional Amendment Act
  - (d) 94<sup>th</sup> Constitutional Amendment Act
8. Jawahar Rozgar Yojana is a programme
- (a) To provide employment guarantee
  - (b) To get loan from Public sector banks
  - (c) To construct housing units
  - (d) To get employment abroad
9. The Delhi Development Authority (DDA) was set up on 30 December 1957 under
- (a) An act of Delhi Assembly
  - (b) An executive order of the President of India
  - (c) An Act of the Parliament
  - (d) The order of the Lieutenant Governor of Delhi.
10. Which of the following election has no place for political parties?
- (a) Municipal Corporation Mayor Election
  - (b) Municipal Council Election
  - (c) Panchayat President and Panchayat Ward Member Election
  - (d) District Councillor Election
11. who is considered as the father of Local self Government in India ?
- (a) Lord Mayo
  - (b) Robert Clive
  - (c) Warren Hastings
  - (d) Lord Rippon
12. Who conducts Local body elections in states?
- (a) State Election commission
  - (b) Election commission of India
  - (c) Chief election commissioner
  - (d) The State Government







13. which are the Articles in the Constitution of India that deals with Local Government?

- (a) Art. 40, Art. 243 to 243 O , Art. 243 p to 243 ZG
- (b) Art. 300, Art. 300A
- (c) Art. 3A , Art. 43 A
- (d) Art. 31 , Art. 117 (1)

14. Arrange the Three tier Panchayati Raj System as per the Constitutional Provisions

- (a) Village Panchayat – Intermediate Panchayat – District Panchayat
- (b) Panchayat Union – District Panchayat – Village Panchayat
- (c) District Panchayat – village Panchayat – Intermediate Pachayat
- (d) Village Panchayat – Town Panchayat – District Pachayat – Intermediate Panchayat

15. Assertion: 73<sup>rd</sup> Amendment Act brought rural local bodies

Reason: Democracy reached grass root level through local governments

Directions: Given below are two statements labelled as Assertion (A) and Reason (R) in the context of the two statements, which of the following is correct?

- (a) Both A and R are true and R is the correct explanation of A.
- (b) Both A and R are true but R is not the correct explanation of A.
- (c) A is true but R is false.
- (d) A is false but R is true.

## II Answer the following questions very shortly

1. What is the lowest unit of the Panchayati Raj system in Tamilnadu?
2. What are the days the Gram Sabha meets in a year?
3. What is the term of office of a Mayor of Municipal Corporation.
4. Describe the powers and functions of the State Finance Commission.
5. Which committee recommended the establishment of Panchayati Raj Institutions?
6. What are the sources of revenue of a village Panchayats?
7. Give at least two reasons for the need for the PRI institutions in India?
8. How many municipal corporations are there in the state of TamilNadu?
9. Who is levying and collecting Entertainment Tax?

## III Answer the following questions shortly

1. Give at least three salient features of the Panchayati Raj Institutions.
2. Define an urban area
3. Explain the concept of local self government
4. What are the main problems of big cities in India ?
5. Explain the organization of Mahasabhas.
6. What were the major changes brought by the British in local administration?



#### IV Answer the following questions in detail

1. Explain the system of Panchayati Raj in India .
2. Describe the functions and powers of the Mayor of a Municipal corporation
3. Trace the developments in Local governments in India after passing of the 73rd and 74th Constitutional Amendments.
4. Trace the origin of the local self government in India

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### ICT CORNER

#### Unit-12 Local Government

Let us learn about the villages in Tamil Nadu.



#### Local Government

#### Steps

1. Click the URL or scan the QR code to launch the "Village maps" page and learn the name of the districts and number of villages in the district.
2. "Click any "district" (For Example: Cuddalore) to know the sub districts of the district and number of villages in it and click the "Map" on the right side to have satellite view.
3. Click any "Sub-District" (For Example:Virudhachalam) to know the number of villages pertaining to the sub district and click the "Map" on the right side to have satellite view.
4. Click any "village" (For Example:Nallur) to know the map of the village.

#### Download Link

\*Pictures are indicative only.

\*If browser requires, allow Flash Player or Java Script to load the page.

URL: <http://villagemap.in/tamil-nadu.html>



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