



A STUDY OF MUNICIPAL ADMINISTRATION SYSTEM IN INDIA

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Abstract

The purpose of municipal governance and strategic urban planning in a country is to create effective, responsive, democratic, transparent, accountable local governance framework organised according to a rational structure that promotes responsiveness and accountability; it to provide responsive policy guidance and assistance to sub-national entities; to strengthen the legal, fiscal, economic and service delivery functions of municipalities; and to foster greater citizen participation in the governance of local bodies. Similar to the Panchayati Raj system, the Nagar Palika Act or the Municipalities Act, 1992 set up through the 74th Amendment Act also provides for a three tier municipal system in the urban centres. The size and criteria of these municipal bodies are decided by the state legislature as it is set up under an Act of the state legislature. The Twelfth Schedule of Constitution (Article 243w) provides an illustrative list of eighteen functions, that may be entrusted to the municipalities. Reservation of seats for ST, SC, OBC & women are similarly provided as is for the Panchayati Raj system. In this context this research article clearly examine the Municipal administrative system in India.

Key Words: Administrative System, Municipal Corporations, Urban politics, Local Government, Representatives of Nagarapalikas, Administrative Notified Areas.

Introduction

“A Midwestern municipal government isn’t the first thing that leaps to mind when you think of innovation.”

Pete Battigieg

The urban local government which works for the development of any Metropolitan City with a population of more than one million is known as the Municipal Corporation in India. The members of the Municipal Corporation are directly elected by the people and are called Councillors. The Municipal Corporation consists of a committee which includes a Mayor with Councillors. The Corporations provide necessary community services to the Metropolitan Cities and are formed under the Corporation Act of 1835 of Panchayati Raj system. The Mayor heads the Municipal Corporation. The corporation remains under the charge of Municipal Commissioner. The Executive Officers along with the Mayor and Councillors monitor and implement the programs related to planning the development of the corporation. The number of Councillors also depends upon the area and population of the city. In India, the four metropolitan cities; Delhi, Mumbai, Kolkata and Chennai, have the largest corporations. The elections to the Municipal Corporations are conducted under the guidance, direction, superintendence and control of the State Election Commission. The corporations fall under the State government jurisdiction, therefore there are no uniform provisions for the election of the municipal bodies. In some States, the elections are organised by the state governments, while in some states, the Executive Officers arrange the same. The



members of the Municipal Corporation are elected by the people through direct elections. The elections are held for a particular ward in the city. The electoral roll of a particular ward elects the representative or Councillor for their ward. The electoral roll for each ward is divided into one or several parts depending upon the area within the ward where the voters of each part reside. This means that the voters included in each part belong to a street or a road or a named area within that ward. The voters from all the parts together form the electoral roll of a particular ward.

Importance of Urban Governance

Municipal governance in India has been in existence since the year 1687 with the formation of Madras Municipal Corporation and then Calcutta and Bombay Municipal Corporation in 1726. In early part of the nineteenth century almost all towns in India had experienced some form of municipal governance. In 1882 the then Viceroy of India, Lord Ripon's resolution of local self-government laid the democratic forms of municipal governance in India. In 1919, a Government of India act incorporated the need of the resolution and the powers of democratically elected government were formulated. In 1935 another Government of India act brought local government under the purview of the state or provincial government and specific powers were given.

For the Census of India 2011, the definition of urban area is as follows:

1. All places with a municipality, corporation, cantonment board or notified town area committee, etc.
2. All other places which satisfied the following criteria:
 - a) A minimum population of 5,000;
 - b) At least 75% of the male main working population engaged in non-agricultural pursuits; and
 - c) A density of population of at least 400 persons per sq. km.

As a result of economic development in India, urbanization is proceeding at a very rapid rate. Cities and towns contribute to more than 60% of the GDP, so one can understand the strong co-relation between urbanization and economic development. So it is imperative to develop an efficient urban or municipal government.

Main Features of Municipal Governance

The purpose of municipal governance and strategic urban planning in a country is to create effective, responsive, democratic, transparent, accountable local governance framework organised according to a rational structure that promotes responsiveness and accountability; to provide responsive policy guidance and assistance to sub-national entities; to strengthen the legal, fiscal, economic and service delivery functions of municipalities; and to foster greater citizen participation in the governance of local bodies. Similar to the Panchayati Raj system, the Nagar Palika Act or the Municipalities Act, 1992 set up through the 74th Amendment Act also provides for a three tier municipal system in the urban centres. The size and criteria of these municipal bodies are decided by the state legislature as it is set up under an Act of the state legislature. The Twelfth Schedule of Constitution (Article 243 w) provides an illustrative list of eighteen functions, that may be entrusted to the municipalities. Reservation of seats for ST, SC, OBC & women are similarly provided as is for the Panchayati Raj system. The Nagar



Palikas/Municipals are to work as instruments of development and planning and also to handle funds for local activities.

i) Municipal Corporation - It is the topmost of urban local government and is for an urban area/centre with population above 3 lacs. As an institution it is more respectable and enjoys a greater measure of autonomy than other forms of local government. It is set up under a special statute passed by the respective state's legislature. However, in an exception, in Delhi (due to it being the National Capital Territory), the power to set up a Municipal Corporation lies with the Union Parliament.

ii) Councillors - Members of the Municipal Corporation are elected on the basis of universal adult suffrage for a period of five years and they are called Councillors.

These Councillors, collectively called the Municipal Council, exercise deliberative functions and the executive functions are performed by the Municipal Commissioner.

iii) Municipal Commissioner & Mayor - He is an Indian Administrative Services official appointed by the state government and has the executive powers of the government of Municipal Corporations. The other executives known as the Mayor and Deputy Mayor are political executives elected for a period of one year by the members of the Corporation. The Mayor is the titular head of the corporation and presides over the meetings of the corporation.

These Municipal Corporations are in charge of Wards (subdivision or district of a town/city) according to its population and representatives are elected from each Ward. The Municipal Corporation of Greater Mumbai which is the civic body that governs Mumbai city is divided in to 6 zones each consisting of 3-5 wards each. Individual wards or collections of wards within a corporation sometimes have their own administrative body known as ward committees.

Structure Of Municipal Governance

Municipal Councils or Municipalities are set up for an urban area/centre with population of 100,000 or more, however there are exceptions to that as previously nagar palikas were constituted in urban centers with population over 20,000 so all the urban bodies which were previously classified as nagar palika were reclassified as nagar palika even if their population was under 100,000. Members of the Nagar Palika are elected representatives for a period of five years. The town is further divided into Wards (subdivision or district of a municipality/ town) according to its population and representatives are elected from each ward. Wards may be grouped together into ward councils. One or more representatives are elected to represent each ward. The members elect a President among themselves to preside over and conduct meetings of the Municipality. A Chief Officer along with other officers like an Engineer, Sanitary Inspector, Health officer and education officer who come from the State Public service and are appointed by the state government to control the executive and administrative affairs of the Municipality.

The nagar palika is responsible for

- Water supply
- Hospitals
- Roads



- Street lighting
- Drainage
- Fire brigade
- Market places and
- Records of births and deaths
- Solid waste management

Its sources of income are taxes on water, houses, markets, entertainment and vehicles paid by residents of the town and grants from the state government. Nagar Panchayats are for an urban area/centre having a population of more than 30,000 and less than 100,000 inhabitants. However, there are some exceptions. All the previous town area committees (urban centres with a total population of more than 5,000 and less than 20,000) are reclassified as Nagar panchayat. Nagar panchayats have a chairman with ward members. Membership consists of a minimum of ten elected ward members and three nominated members. And it consist of a Block Development Officer (commonly known as Executive Officer) ,who is the chief of all administration.

In urban planning, a Notified area is any land area earmarked by legal provision for future development. The term is used in the Hindi belt region of North India. The term also describes a village or settlement with a population between 10,000 and 20,000. A community of over 20,000 is considered a town under Indian law. Each notified area elects a notified area committee for its administration where all members as well as the chairman are nominated by the state government, which function like municipality. There have been various recommendations asking to stop such centralisation in the state govt. hands by setting up these areas when they should actually be under the PRIs.

Town Area Committees

It is a semi municipal authority constituted for small towns, and it exists in several states out of which Uttar Pradesh has the largest number. The members may be partly elected and partly nominated by the state govt. or wholly nominated or wholly elected. It is assigned a number of functions like street lighting, drainage, roads, conservancy, etc. The District Collector in some states has been given powers of surveillance and control over the TAC. Following recommendations of the Rural Urban Relationship Committee,1966, that smaller TACs be merged with Panchayati Raj bodies, Madhya Pradesh and Haryana have done so.

PSUs are set up by the govt. and housing colonies have been set up around them for the staff and workers. These draw people from rural as well as urban areas and this develops into a kind of a very small town, therefore it is named as a Township. These townships are administered by the Municipal corporation or Municipality under which it falls which appoints a Town Administrator for this area who is assisted by a few engineers and technicians that handle functions like water, electricity, roads, drainage, markets, parks, etc. The expenditure on such townships are shared equally by the urban local govt. as well as the respective Industry.



Finance of Municipal Bodies

Finances supplied to the Municipal bodies are determined and regulated by the respective state governments as per the 74th amendment act. Article 243x states that a state may by law authorise a Municipality to levy and collect property taxes, duties, tolls and fees. The state will lay down the procedure also for the same along with accounting methods. Also as per the 74th Amendment act, the Indian Constitution has made it mandatory for every state to constitute a State Finance Commission to review the financial position of the Municipalities and make recommendations regarding distribution of taxes between the states and municipalities. It is also expected to look into the criteria for grants-in-aid and suggest measures needed to improve the financial position of the Municipalities.

(a) Municipal Corporations Finance - Non-tax Revenue : The non-tax revenue includes fees and fines, grants and contributions from the Government. Among its extraordinary sources may be listed loans, deposits, receipts on capital account, grants for capital works, etc.

(b) Tax Revenue : The major proportion of income of corporations flows from taxes. It ranges from anything between two-fifths and three-fourths of total income. A corporation generally has the power to levy the following taxes :

- Property tax
- Tax on vehicles and animals
- Theatre tax
- Tax on advertisements (other than newspapers)
- Profession tax
- Education tax
- Entertainment tax
- Tax on consumption and sale of electricity
- Betterment tax on increase in urban land values caused by the execution of any development or improvement work.

Tax on deeds of transfer of immovable property is collected by the State Government and the amount collected within the area under the jurisdiction of a corporation is transferred to it.

74th Constitutional Amendment and Provisions

It was enacted envisioning democratic decentralization and power to the people. Let's discuss its important features:

- It granted Constitutional status to local bodies and made them mandatory and laid down the procedure for their constitution.
- It provides for reservations in Municipalities at par with the PRIs



- Ensuring timely elections every five years, and in case of supersession, elections to be held before the expiration of six months from date of dissolution, and a proper report to be submitted by the state govt. for dissolving/ superseding before the state legislature.
- Setting up of Finance Commission to review the financial position of the Municipalities and make recommendations regarding distribution of taxes between the states and municipalities. It is also expected to look into the criteria for grants-in-aid and suggest measures needed to improve the financial position of the Municipalities.
- State Election Commission to ensure timely and fair conduct of elections.
- Setting up of District Planning Committees for Municipal Councils and Nagar panchayats to prepare draft development plan for the district as a whole and submit their draft development plan to the state govt. for review and inclusion in the state plan.
- Setting up of Metropolitan Planning Committee for Metropolis who would submit their draft development plan to the state govt. for review and inclusion in the state plan.

Conclusions

It has been observed that local arrangements operate better when social and technological readiness exists in regards to the factors of implementation. It has also been observed that development at the local level is promoted better in an environment of local arrangement but at the same time technological appreciation shall add to the purpose of the local authorities. It has been observed as well that technological import wherever seen useful shall be customised to meet the local requirements so as to have higher acceptance and minimize resistance to technological essentials. It was observed that in the absence of some uniform framework, the local governance institutions developed various disabilities and there was widespread inconsistency in regards to the functioning of such institutions. The Tony Blair govt. came out with a solution that was in the form of a framework in which the structure and functions of local self government institutions were specified under an order of the central govt. and they were to be instructed to operate as per the central govt. directives. Some concerns have been raised in regards to the imperatives coming from the central govt. for the local govt. institutions and it has been observed that in such an arrangement decentralisation will be forced to the reverse and take a backseat leading to heavy centralisation thus defeating the very purpose of local self governance.

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