



- Local government in India falls mainly under two categories: rural self government & urban self government.
- Local government in rural areas is enabled by the Panchayat system of governance involving Panchayati Raj Institutions (PRIs).
- There are about 3 million elected representatives in Panchayati Raj Institutions (PRIs), about one third of them women, and there are more than 640,000 village panchayats, about 6000 intermediate bodies and 500 district level bodies.
- Panchayats cover about 99.6% of India's rural population
- The powers & functions of PRIs vary from state to state.
- The Panchayat system exists in all states except Nagaland, Meghalaya and Mizoram.
- Panchayat system is provided for all states having a population more than 2 million.
- As per Article 243M of the Constitution, State of Nagaland, Meghalaya, Mizoram, Sixth Schedule Areas & hill areas of Manipur are exempted from application of Part IX of the Constitution.
- Function of the panchayat include, planning and implementation of schemes for economic development and social justice relating to the 29 subjects in the indicative list.
- Decentralisation is a major instrument for the extension of the democratic process at the grass root level and to involve the local communities in decision making in matters concerning their basic civic & other needs.
- The panchayat in rural India & municipalities in urban India are defined in the constitution as institutions of local-self government.
- The popular saying of 'panch-pardhan' from the ancient times connotes that the panchayat had deep roots in the Indian culture.
- After the 73rd Amendment to the Indian Constitution, Panchayati Raj system has come to occupy a pivotal place in the Indian democratic system.
- Their function varies from state to state and in many states, devolution of functions, functionaries and funds to the local government has not taken place as envisaged in Part-IX & IXA of the Constitution.
- On the other hand, considerable progress has been made in the member states of European Union in effective decentralization of powers and functions to the communities at the local level.

CLASS NOTES PANCHAYATI RAJ INSTITUTIONS

- In fact, unlike in India there are no separate local level institutions — are regional & area based, covering both urban & rural communities.

HISTORICAL BACKGROUND

PANCHAYATS IN ANCIENT INDIA

- Ancient Indian history has provided evidence of the existence of village panchayats comprising five informally elected elderly members to settle dispute in the village.
- A reference to an organised system of rural local self-government (panchayat) has been found in ancient Vedic literature.
- Rig Veda has mentioned about 'Gramini', the village head employed by the king for civil and military purposes; while Atharva Veda envisaged the institution of 'sabha', 'samiti' sabhapati & 'sabkasad' primarily performing judicial functions
- Kautaliya's Arthashastra gives a comprehensive account of the system of village administration prevailing in ancient India.
- Besides, evidence of the village panchayats is also discerned in the Maurya & Chola dynasties and during the Gupta period.

PANCHAYAT RAJ SYSTEM DURING MEDIEVAL TIMES

- The Turkish rule was highly centralised in order to maintain good control over military & revenue.
- Rulers recognised local chiefs and zamindars as the repositories of local authority
- The villages and towns of the Mughal Empire enjoyed parochial self-govt rather than local autonomy.
- The office of Kotwal was developed as the keystone of the municipal.
- While the Mughals did not initiate any positive measures of encouragement to local institutions, wherever such institutions existed, they worked in cooperation with that: official machinery of the rules and in certain respects became a part of it.
- Between the breakdown of the Mughal Empire & the coming of the British, there was complete anarchy & military despotism in most parts of the country.
- During this intervening period the tier of social framework were loosened, and in many places, local institutions had been perverted.
- The medieval period was comparatively an uneventful period in the history of panchayat system in India.
- The system was largely ineffective during Mughal rule, except during Akbar's reign, it appears that no other Mughal ruler assigned importance to the panchayats.

PANCHAYATS DURING BRITISH RULE

- During the initial years of British rule, the autonomy of the panchayats gradually got diluted with the establishment of local civil courts, criminal courts, revenue & police administration.
- However the British rulers were cognizant of the role played by self governing communities at the village level.
- Sir Charles Metcalfe, a British Governor in India during 1852 called panchayat as 'the little republic, but with some reservation because a caste ridden feudal system with power concentrated in the hands of a few landlords would be inconsistent with the sole mission of decentralisation
- This is amply reflected in the East Indian Company Resolution of 1865 which said: "The people of this country are perfectly capable of administering their local affairs. The municipal feeling is deeply mooted in them. The village communities are the most abiding of Indian institutions. They maintained the framework of society while successive swarms of invaders swept over the country."
- The initiative taken by the Viceroy, Lord Mayo, in 1870 although it was a resolution for decentralisation of power was aimed at improving administrative efficiency.
- In 1882 Lord Ripon resolved in favour of imparting political education to the people in general & rural people in particular.
- The Royal Commission on Decentralisation in 1907 recognised the importance of the panchayats at the village level, & recommended association of the people with the task of local administration.
- A few subsequent initiatives focused on decentralisation during British Raj are Montague Chelmsford Act, 1919; the Simon Commission report 1925 and Government of India Act, 1935.
- With these initiatives, by 1925 eight provinces had passed panchayat Acts & by 1926 six Indian princely states also passed panchayat laws.
- By 1948, 20 other native states had village panchayat Acts.
- When India was colonised, there occurred a sharp break from the tradition. The state system, after the advent of the British emerged as a highly centralised set up.
- Local institutions during the British period were more a creation of the govt from whom they derived their autonomy rather than a process of spontaneous growth.
- No attempts were made to build up the system on indigenous foundations, although a good deal of indigenous taxation was retained in local finance.
- "The chungli of the muslim rulers, the Sikh dharat, and the muhtarafa of Maratha towns have a descendant in today's systems.

- But from the structure & procedure of earlier local institutions, almost nothing has been incorporated into modern local govt.
- "The form adopted during the British rule was an admixture of the British & continental patterns.
- The history of local self - govt in India under the British rule can be conveniently divided into four phases.

PANCHAYAT PHASES IN BRITISH RULE

- Local finance being a counterpart of local administration & its mainstay, has , been an expression of the purpose implicit in different phases of local govt.
- The first phase may be assumed to have ended in 1882, when Lord Ripon issued his well-known resolution on local self govt.
- The second phase covers developments from 1882 to 1919, when more powers were transferred from the centre to the provinces, & the recommendations of the Decentralisation Commission of 1907, besides discussing other matters, suggested some changes in local self-government.
- The third phase extended up to 1935, during which the Indian Taxation Enquiry Committee (1925) considerer the problems of local taxation, along with central and provincial finances.
- The Simon Commission of 1930 reversed the process of decentralisation, by recommending strict control of the state over local bodies.
- The fourth phase covers developments up to 1947. During this phase, the struggle for independence was intensified and with the introduction of provincial autonomy in 1937, and coming into power of congress ministries in many provinces, local bodies, particularly village panchayats, received a great stimulus and there was democratisation of local bodies
- But "local self-government became a mere annexe to the national political stadium, where the struggle for independence was moving towards its climax."
- A rapid survey of local self-government and finances in India under the British rule reveals certain "well marked characteristics."
- Independence opened a new chapter in socio-economic reforms, as embodied in the Directive Principles of State Policy, enunciated in the Constitution which established a federal system of public administration, provided universal adult franchise & the objective of welfare state.
- Article 40 of the Constitution lays down that the state would take steps to establish autonomous bodies in the form of village panchayats

PANCHAYAT RAJ SYSTEM IN INDEPENDENT INDIA

- After independence, the process of empowering panchayats gathered momentum.
- Mahatma Gandhi, emphasising on 'Gram Swaraj (village autonomy) strongly advocated that;

‘Independence must begin at the bottom. Thus every village was expected to be a republic of panchayat having full power.

- Jawaharlal Nehru, considered panchayats as an important socio-economic and political institution at the village level.
- He underlined the importance of people taking responsibilities: “To uplift millions of villages is not an ordinary task; the reason for the slow progress is our dependence on official machinery. An officer is probably necessary because he is an expert. But this can be done only if the people take up the responsibility in their own hands. The people are not merely to be consulted, but effective power has to be entrusted to them”.
- The then Rural Development Minister Shri S. K. Dey, had stated, that “In Panchayati Raj System, the people of India would govern themselves through their representative institutions, from the Parliament and thus democracy would travel from Gram Sabha (village parliament) to Lok Sabha
- Former Prime Minister Rajiv Gandhi, while emphasising on the significance of panchayats had remarked.”We must put an end to planning from above. We must put an end to priorities being conceived & decided at ethereal heights, far from ground realities”.
- Jawaharlal Nehru, advocated that “The panchayati raj bodies should assume the responsibilities of looking after the needs of everyone in the village & thus become an insurance against illness, unemployment, illiteracy & other disabilities”.
- The First Five Year Plan also recognised the need for disaggregated planning through a process of democratic decentralisation incorporating the idea of a village plan & a district development council.
- The Government of India constituted several committees at different points of time to strengthen the local self- government institutions.
- The first one was the Balwant Rai Mehta Committee constituted in 1957, which recommended the urgency of democratic & elected institution at the lowest level & suggested a three-tier system
- After this, Ashok Mehta Committee (1977) recommended a two-tier set-up at district and village level.
- The Sarkaria Commission on Centre-State relations appointed in 1983 recommended in its report that the objective of decentralised planning cannot be achieved unless panchayats play a major role of development and administration at village level.
- Instead of playing their role, ironically, these institutions have been allowed to stagnate.
- Elections to these bodies had not been held regularly and often they remain superseded for a long period.
- The Sarkaria Commission recommended that it was necessary to hold elections regularly and adequate funds devolved to these institutions.
- The G.V.K. Rao committee, in 1985, emphasised the need for regular elections to panchayati raj institutions (PRIs).
- A committee headed by P.K. Thungon, in 1986 recommended that panchayati raj bodies should be constitutionally recognized, and should have provision for timely and regular elections and their term should be for a period of five years
- While the L.M. Singhvi Committee of 1987 recommended that the PRIs should get constitutional safeguards and financial resources should be devolved to them.
- Since the beginning of the VI five year plan, a number of special programmes for poverty alleviation, employment generation and area development were launched in the country.
- At this stage, block level was considered important to implement rural development programmes through fuller utilization of local resources.
- In November 1977, a Working Group under the Chairmanship of M.L. Dantwala was appointed by the Government of India, to draw up guidelines for block level planning.
- At the same time, in December, 1977, a Committee on Panchayati Raj, headed by Ashok Mehta was also appointed.
- The Committee considered inadequacy of resources, mainly responsible for failure of PRIs and, therefore, recommended, inter alia, measures for strengthening the financial resources of PRIs.
- Where as in Maharashtra & Gujarat, power was vested in district panchayats — in Madhya Pradesh and some other states, the responsibility for development was entrusted to the blocks
- Another committee headed by Prof. C.H. Hanumantha Rao (1984) questioned evolving methodology for district level planning and recommended that planning process at the district level should be sufficiently decentralised, having a good deal of autonomy, administrative and technical capability and financial adequacy.
- The above discussion shows that there has been no dearth of ideas and expert opinion but what lacked was consistency in thinking and political will to implement the concept
- Even after three decades since the Balwant Rai Mehta Committee had recommended 3-tier panchayati raj system democratic decentralisation, in most of the states, the position regarding PRIs remained unsatisfactory.
- Financially these bodies were weak & dependent largely on state governments which did not follow any consistent policies, with the result that most of the PRIs remained defunct or superseded.

- The Constitutional Amendment Act, 1992, marked a watershed in the history of local self-government in the country since it gave a constitutional mandate to the state govts to restructure & revamp rural local bodies in accordance with constitutional obligations
- The Act provided for
 - i. The creation of three tier system of prisa-gram panchayat at the village level, Janapada Panchayat at the block level and Zila Panchayat at the district level, with sufficient powers and functions contained in schedule XI of the Act;
 - ii. The creation of State Election Commission to ensure free, fair and timely elections after the expiry of every 5 years, and
 - iii. The creation of State Finance Commission after every 5 years to recommend devolution of financial resources from the state govt to local bodies and also suggest measures for strengthening their financial position.
- The philosophy of Panchayati Raj is driven by the recognition that the critical needs of communities, such as health, sanitation, clean water, education, and livelihood can only be met locally through local responsibility, accountability, and utilising local resources
- In other words, PRI empowerment is – localisation of resource based development in terms of civic amenities.
- Rural people rarely receive information or have any say in and about the plans and actions of the government.
- They lack ways to influence policies, programmes, or resource allocations for development.
- Balwant Rai Mehta is widely known as the 'Architect of Panchayati Raj' in India and his birthday (19th February) is observed as Panchayat Day.

PANCHAYATI RAJ SYSTEM AFTER 73RD AMENDMENT

- While introducing the 73rd amendment bill in Parliament on December 1, 1992, the then Cabinet Minister of Rural Development had thus observed, "This casts a duty on the centre as well as the states to establish and nourish the village panchayats".
- As a result, 2, 32, 278 panchayats at village level; 6,022 panchayats at intermediate level and 535 panchayats at district level were constituted in the country
- Functions :- 1)The preparation of plans for economic development & social justice; and 2)The implementation of such schemes for economic development and social justice as may be entrusted to them.
- Each panchayat in Kerala & in Karnataka consists of wards, which are looked after by ward members of the panchayat.
- Three Tier Structure at the District Level : – Article 243-B envisages, Gram Panchayat at village level, Intermediate Panchayat at the Block Level and Zilla Parishad at the district level.
- Elections at every five years : – Article 243-E
- Reservation of seats for Scheduled Castes & Scheduled Tribes : – Article 243-D envisages, reservation of seats for the Scheduled Caste and Scheduled Tribes in proportion to their population for membership of panchayat.
- Reservation of seats for women : – Article 243-D (3), provides that not less than one third seats for women (including seats reserved for women belonging to Scheduled Castes & Scheduled Tribe) of the total number of seats to be filled up by direct election in every panchayat shall be allotted by rotation to different constituencies in a panchayat.
- Establishment of State Finance Commissions : – Article 243-I – to review financial position of the PRIs & to make recommendations to the Governor & distribution between the state & the PRIs of the net proceeds of the taxes, duties, tolls and fees livable by state.
- Establishment of State Election Commissions : – Article 243-K – The Superintendence, direction & control of the preparation of electoral rolls and the conduct of all elections to the panchayats shall be vested in the State Election Commission.
- Establishment of District Planning Committee (DPCs) : – Article 243 ZD– to consolidate the development plans prepared by the gram panchayat.
- 29 Duties & responsibilities :- Article 243(G) made addition of Eleventh Schedule and assigning duties and responsibilities on 29 subjects
- Establishment of Gram Sabha : – Article 243 provides for Gram Sabha to exercise such power & perform such function at the village level as the legislature of a State may be law provides.
- Extension of the 73rd amendment to the Scheduled Areas, through Provisions of Panchayats Extension to Scheduled Areas Act, 1996 – Scheduled Areas are those, which are under the Fifth Schedule of the Constitution. where the tribal populations are predominant
- Constitution had envisaged a special scheme of administration in the scheduled areas where general laws would not be applicable unless the Governor deemed it fit to enforce such laws.
- It was thought that these areas are inhabited with people who have resided on the basis of their own customary practices, traditional beliefs & culture and thus general laws of the land would be inappropriate with their customary laws and ethos.

TYPES & FUNCTIONS OF PRIs

1) GRAM PANCHAYAT

- A gram panchayat consists of a sarpanch & 5 to 13 elected panches depending upon the population,

and are elected for a period of 5 years, and is elected by the Gram Sabha.

- The members of village panchayats are elected by the same Electoral College, which elects members of the Legislative Assembly of the state and the Lok Sabha.
- The State Election Commission prepares the election roll for PRIs elections.
- The Sarpanch or Chairperson is the head of the Gram Panchayat, and the Sarpanch and Deputy Sarpanch are usually elected directly by the people.
- The annual budget & development schemes for the village are placed before the Gram Sabha for consideration & approval.
- Gram Panchayats can be established in villages with a minimum population of 300.
- If individual villages have small populations, they can be grouped together to form a group-gram panchayat.

FUNCTIONS OF GRAM PANCHAYATS

- Preparation of annual development plans, its budget; construction, repair and maintenance of community assets; khadi and village industries; rural housing; rural electrification; non-conventional sources of energy; poverty alleviation; education; public health and family welfare; adult and non-formal education; cultural activities, fairs and festivals; promoting agriculture, including animal husbandry; dairying and poultry; fisheries; social and farm forestry; women & child development; social welfare and public distribution system.
- The main source of income for panchayats is property tax, other sources include profession tax, taxes on pilgrimage (if applicable), animal trade etc.
- Besides this, the panchayats receive grants from the state government as well as Zilla Parishads.

2) PANCHAYAT SAMITI

- The panchayat at the intermediate level is known as Panchayat Samiti. It works at the Tehsil or Taluka level, also known as Development Block.
- The Panchayat Samiti acts as the link between the gram panchayat & the district administration.
- The Panchayat Samiti is also known as Mandal Parishad, Taluka Panchayat, Mandal Panchayat.
- The main source of income of the Samiti is grants & loans from the state govt.
- There is a panchayat samiti in each development block, a compact development area.
- Its membership comprises: 15 to 25 directly elected members from territorial constituencies.

FUNCTIONS OF PANCHAYAT SAMITI

- Agricultural improvement, land improvement, establishment of primary health centres and primary schools, supply of drinking water, sanitation, and construction/repair of roads, establishment of cooperative societies, and establishment of youth organisations, irrigation and

water management and promotion of animal husbandry and dairying and poultry, fisheries, social services, social welfare, technical training, poverty alleviation and rural electrification, and development of cottage and small scale industries

3) ZILLA PARISHAD

- Every district has a zilla parishad, having jurisdiction over the entire district excluding the areas included in a municipality or a cantonment board.
- Sources of income of Zilla Parishad are
 - from the taxes on water, pilgrimage, markets etc,
 - money from the state govt for works and schemes assigned to the Parishad
 - fixed grant from the state government in proportion to the land revenue.
- The Additional Deputy Commissioner (Development) of the district is the ex-officio Chief Executive Officer of the zilla parishad.
- The other members of the zilla parishad are:
 - Directly elected from demarcated constituencies; All chairpersons of panchayat samities; Members of Parliament/Member of Legislative Assemblies whose constituencies fall in the jurisdiction and geographical area of the zilla parishad.
- The members of the Zilla Parishad are Chairmen of the Panchayat Samitis falling under the area, they serve for a period of 5 years
- Zilla Parishads have min 50 and maximum 75 members; Seats are reserved for SC/STs, backward classes and women.

FUNCTIONS OF ZILLA PARISHAD

- Planning & execution of development projects for the district, provide essential services and facilities to the rural population, agriculture projects such as supply of seeds, irrigation, new techniques of farming etc, ground water resources and watershed development; horticulture; Statistics ; rural electrification; distribution of essential commodities; soil conservation; animal husbandry and dairying; fisheries; small scale industries including food processing industries; rural roads; health and hygiene; rural housing; education projects such as setting up and running of schools, adult literacy, running libraries, establish primary health centres, hospitals, mobile health centres, carry out vaccination drives and family welfare campaigns, construct/repair bridges and roads, development plans for SC/ST
- Hostels for SC students, ashram shalas for adivasis, encourage entrepreneurship in small scale industries such as handicrafts, dairy farms etc.

FOR EFFECTIVE FUNCTIONING

- It is important that their functional & financial autonomy is guaranteed and transparency in their functioning is ensured, and this has to be accomplished in most of the states.

- The role of the Gram Sabha is, perhaps, the most important in ensuring the success of Panchayati Raj Institutions at the village level.
- The role of local people in conducting social audit and fixing responsibility on panchayat functionaries will be effectively ensured with Gram Sabha becoming active.
- It is essential that the village community perceives meetings of the Gram Sabha as useful.
- Panchayats being closer to the people, their right to information and accessibility to the panchayats must be ensured.

THE 74TH AMENDMENT ACT & ULBs

- The 1992 Act provided for the Twelfth Schedule which listed the functions of urban local bodies, along with their planning, regulation and development powers.
- 73rd Amendment added Part IX titled "The Panchayats" & 74th Amendment added Part IXA titled "The Municipalities".
- There is a requirement made therein for the holding of timely periodical elections & for the reconstitution of a municipal government within six months.
- Sources of municipal finance & their periodic review by a statutorily constituted State Finance Commission were also provided by the Act, which also made it obligatory for the Central Finance Commission to recommend steps to support state resources for the assistance of municipal governments.
- The Act also provided for reservation of one-third of the seats for women and scheduled castes in municipal bodies.
- Articles 243G & 243W and 11th & 12th Schedules of the Constitution indicate the subjects to be devolved to the Panchayats & Nagarpalikas respectively.
- Article 243W of the Constitution of India, specifies the powers, authority and responsibilities with respect to Municipalities.
- The 18 major functions to be performed by Municipalities are mentioned in Article 243W of the Constitution of India
- Act has ensured continuity of the municipalities with five years duration for an elected municipality and re-election of municipalities before the expiry of the five-year term or within six months of their dissolution.
- Three-tier system: A uniform structure of three tiers municipal corporations for large urban areas, municipal councils for small urban areas and nagar panchayats for transitional areas has been provided.
- The constitution and composition of the municipalities has been left to the wisdom of the state, subject to all seats being filled by elected

persons from the respective municipal constituencies

- Reservation of the seats : – Such seats may be allotted by rotation to different constituencies in a municipality & not less than one- third of the seats so reserved are further reserved for woman belonging to the SCs/STs.
- The municipal functions envisaged under Article 243W are of development nature.
- The performance of functions & implementation of schemes including those in relation to matters delegated through the Twelfth Schedule may be entrusted to the ULBs.
- Ward Committees: The act makes it mandatory to constitute ward committees in municipalities with a population of over 3 lakh with representation of women, SCs/STs and citizens' groups.
- The major objective of constituting the ward committees is to bring governance closer to the people and enhance their participation in local affairs including those listed in the Twelfth Schedule.
- District Planning Committees: The act provides for the constitution of the DPCs with representation of elected local representatives to effect spatial & economic development by integrating rural and urban plans at the district level.
- State Finance Commission: The act mandates the constitution of a State Finance Commission (SFC) every five years to strengthen the financial domain of the ULBs.
- The Commission reviews the financial position of the urban bodies, their revenue and capital account requirements, recommends devolution of taxes, charges, fees, toll, duties, shared revenues, inter-government transfer and grants from the state to the municipalities & suggests measures for the mobilisation of municipal resources.
- State Election Commission: The act provides for the constitution of a state election commission (SEC) every five-year to regulate municipal elections. The SEC has a mandate to oversee, direct and control the preparation of electoral rolls and conduct elections of municipalities. The SEC will also ensure that elections to municipalities dissolved by the state government are held within six months.
- The municipal corporations & municipalities were fully representative bodies, while the notified area committees & town area committees were either fully or partially nominated bodies.
- Excluding Cantonment Board under the Ministry of Defence, Established by a separate Act of Parliament.
- Based on the 74th Constitution Amendment Act, there are now only three types of ULBs: (i) Municipal Corporation (Nagar Nigam) (ii) Municipality (Nagar Palika) (iii) City Council (Nagar Panchayat).

- According to the Act, there needs to be a City Council for areas in transition from rural to urban, a Municipality for small urban areas and a Municipal Corporation for large urban areas.
- Most states have amended their municipal laws in conformity with the Constitution Amendment Act
- However, variations are found in the definition of small and large urban areas, as well as in transitional areas.
- States like Tamil Nadu has used the income criteria, some using only population, and others using additional criteria such as density and percentage of non-agricultural employment.
- The amended Municipal Act of Andhra Pradesh provide for all three types of municipal bodies, viz; Nagar Panchayats; Municipalities and Municipal Corporations.
- In addition to population criteria, the Andhra Act also follows density of population, percentage of employment in non-agricultural activities, etc.

TYPES OF URBAN LOCAL BODIES

- The first municipal mechanism created during British rule was the Municipal Corporation introduced in Madras (Chennai today) in 1688, which was followed by municipal corporations in Bombay (Mumbai today) & Calcutta (Kolkata today) by 1762.
- Subsequently, Lord Mayo's Resolution of 1870 called for the introduction of an elected President in the municipalities.
- The current form & structure of municipal bodies is based on Lord Ripon's Resolution on local self government adopted in 1882 .
- Since then the structure of municipal bodies has essentially remained the same, even though the urban areas multiplied along with their increasingly complex problems.
- Statutory provision for creating a municipal unit was available in two forms.
 - 1) By statute that provides for the establishment of a municipal authority, as for instance in the form taken in the case of the Bombay Municipal Corporation Act 1888, the City of Nagpur Corporation Act of 1948 & the Delhi Municipal Corporation Act of 1957.
 - 2) The other route was through statutory provision empowering State Govt creation.
- The Bombay Provincial Municipal Corporations Act of 1949 and the Gujarat Municipalities Act of 1964 are both examples of the latter.
- These statutes confer significant control and supervisory powers on the state govt. In this context, it can be said they were creation of state government.
- Municipal election provisions in different states were not uniform – In some, arrangements for election are made by the state government; while

in others Municipal Commissioners (executive officers) make the arrangements

- Prior to the passage of the 1992 Act, urban local government was defined generally by the Municipal Corporations, Municipal Councils, Town Area Committees and Notified Area Committees.
- In this context, the Structure & composition of municipalities varied considerably, with wide differences in definition & structure between states.
- Hence, the 1992 Act attempted to instill some uniformity in the constitution of the municipal bodies
- The first municipal corporation was created by a Royal Charter in Madras in 1688.
- The number of statutory towns in India increased from 3,799 to 4,041 during 2001- 2011 whereas the number of census towns have increased from 1,362 to 3,892 during the decade.
- Among the states, Uttar Pradesh had the largest number of towns – 648 statutory towns and 267 census towns in 2011.
- Goa was the most urbanized state with 62.17 percent urbanization in 2011 followed by Mizoram at 52.11 percent urban population.
- Among the Union Territories, Delhi had urbanization level of 97.50 percent followed by Chandigarh with an urbanization level of 97.25 percent in 2011. Himachal Pradesh had the lowest urbanization with only 10.03 percent population living in urban areas in 2011, followed by Bihar (11.29 percent)
- Sikkim witnessed the most rapid growth in urban population registering an annual exponential growth rate (AEGR) of 9.42 percent during 2001-2011. On the other hand, Himachal Pradesh registered slowest growth in urban population with an AEGR of 1.45 percent

THE MUNICIPAL CORPORATION (NAGAR NIGAM)

- This model is also known as the Commissioner system, taking its name from the role of the city administrator who is generally a state-appointed officer.
- In such a system the Mayor in the Municipal Corporation is usually chosen through indirect election by the councillors from among themselves.
- The Mayor generally lacks executive authority. This is due to the British roots of the system that remain from the time when the administrator was the representative of the colonial power.
- In this context, the indirect election of the Mayor combined with his short one-year tenure renders the role little more than that of a figure head.
- Councillors act by committee, the most powerful being the Standing Committee with its role of the steering committee exercising executive, supervisory, financial and personnel powers.

- It is composed of elected members varying in number between seven and sixteen through a system of proportional representation of councillors.
- The executive arm of the corporation is the Municipal Commissioner, who is the chief Executive Officer and head of the executive arm of the Municipal Corporation
- Municipal Corporation is the legislative body that lays down policies for the governance of the city – the Commissioner is responsible for the execution of the policies
- The Commissioner is appointed for a fixed term as defined by state statute.
- The Commissioner's term in office can be extended or reduced.
- The powers of the Commissioner are those provided by statute and those delegated by the Corporation or the Standing Committee
- This is the closest that India has come to the council-manager system, with the critical difference of accountability of the manager to the elected arm of government; and the fact that the power of the unelected executive arm of government is thus weighted in its favour.
- Municipal Corporations are established in cities with population greater than 1 million.
- The Municipal Corporations function under the provisions of the Corporation Act 1835, the Corporations are elected directly by the people.
- Elected members serve a term of 5 years.

- Municipal Corporations provide necessary community services such as health care, educational centres etc.
- It also interact directly with the state governments.
- The sources of income of Municipal Corporation are from (i) taxes on property, water, markets, entertainment, (ii) taxes on vehicles, and (iii) grants from the state government.

MUNICIPALITY (MUNICIPAL COUNCIL)

- A municipality administers an urban area of population 200,000 or less
- Municipalities interact with the state govt through the Directorate of Municipalities or the District Collector
- Members of Municipalities are elected for a period of five years.
- The head of the Municipality is the President, elected by and from the members
- The state government also appoints a Chief Officer and other officers such as Health Inspector, Sanitation Inspector, etc to assist the President
- Their sources of income and functions are similar to that of Municipal Corporations

CITY COUNCIL

- City Council administer urban areas having population greater than 30,000 & less than 100,000
- However, as an exception, all previous Town Area Committees (more than 5000 less than 20,000) have been reclassified as City Councils
- City Councils have a Chairman and ward members
- Ward members included elected members (min. 10) and nominated members (min. 3)