Chapter - 1
INTRODUCTION & HISTORICAL BACKGROUND

The Institutions of Local Government have flourished in India since time immemorial. The Panchayats or village governments as they were called were ancient institutions and were themselves small republics. They exercised power in various spheres such as industrial, commercial, administrative and social including civic education and religious functions.¹ It has been rightly pointed out that ‘Neither ancient nor modern history of Europe can show a system of local self-government more effective safeguards against abuses than that one which was worked out by Aryan Philosophers as the social and political basis of Indo-Aryan religion.'² References to such a highly organized systems of local government can also be found in the vedas, in the Epics of Ramayana and Mahabharata, in the Upnishads and in Kautilya’s ‘Arthasastra’. Another prominent writing about the life in the ideal village includes the description by Sir Charles Metcalfe who referred to them as the ‘little republic’. He stated:

“They seem to last where nothing else lasts. Dynasty after dynasty tumbles down, revolution, succeeds revolution, Hindu, Pathan, Mughal, Maratha, Sikh, English, are all masters in turn, but the village communities remain the same. In times of trouble they

array and fortify themselves, a hostile army passes through the country, the village communities collect their cattle within their walls, and let the enemy pass unprovoked. This union of the village communities, each one forming a separate little state in itself has contributed more than any other cause to the preservation of the people of India through all the revolution and changes which they have suffered and is in a high degree conducive to their happiness and to the enjoyment of a great portion of freedom and independence.⁴³

The Urban local government had also existed during ancient period. Megasthenes gave a description of the administration of a town in the third century before Christ. He wrote: -

“Those who have change of the city are divided into six bodies of five each. The members of the first look after everything relating to the industrial arts. Those of the second attend to the entertainment of foreigners. The third body consists of those who inquire when and how births and deaths occur, with the view not only of levying a tax, but also in order that births and deaths among both high and low may not escape the cognizance of government. The fourth class super intends trade and commerce. The fifth class supervises manufactured articles, which they sell by public notice. The sixth and last class consists of those who collect the tenths of the prices of the articles sold.”⁴⁴

---

³ As quoted in “Elphinstone’s History of India”, London, Joha Murray, 1905, p. 68.
Local government existed in India in ancient times, in its present structure and style of functioning, it owes existence to the British rule in India. Neither the system of village self-government that prevailed in earlier times nor the method of town government which was then in existence visualized the type of periodically elected representative government responsible to the electorate that had evolved in the west and was planted in India by the British government. "Local self-government, in India, in the sense of representative organization, responsible to a body of electors, enjoying wide powers of administration and taxation and functioning both as a school for training in responsibility and as a vital link in the chain of organisms that make up the government of the country is a British Creation." During the early period of British rule, the company administration undertook the construction and maintenance of irrigation works, the relief of people in the time of famine, the contraction of roads, the sanctioning of grant-in-aid to schools, allowing the villages to cut fuel in the forest and the provision of the agricultural credit. The ancient village communities were constituted on a narrow basis of hereditary privilege or caste closely restricted in the scope of their duties-collection of revenue and protection of life and property were their main functions and were neither conscious instruments of political education nor important parts of the administrative systems.

A beginning of local government may be said to have been made in 1687 when, for the first time, a local governing body – a municipal corporation was set up for the city of Madras. Local government is thus slightly less than three centuries old in India. Its history since 1687 is rather chequered and even exotic. Broadly it may be divided into the following five periods, each period characterized by a definite aim and purpose.

I Period - 1687 to 1881 - Establishing of Municipal Government for imperial needs.


III Period - 1919 to 1934 - Local Government under Provincial governments.

IV Period - 1935 to 1949 - Period of reconstruction.

V Period - 1950 to Present day - Post-Independence – Local Government under constitution set-up.

PERIOD I – 1687 TO 1881

The origin of Municipal administration in India dates back to 1687 when a municipal corporation was set up in Madras, under a charter Act passed by James II, the then British Monarch. It was modelled after similar institutions then in vogue in Britain and clothed with the authority to levy specific taxes. The corporation consisted of one Mayor, 12 Alderman and 60 Burgesses, who were appointed out of the European living in India. It was constituted to pass on a part of
the financial burden of administration to the people. It was empowered to levy taxes for constructing a guild hall, a jail and a building for a school for such further ornaments and edifices as shall be thought convenient for the honour, interest, ornaments, security and defence of the corporations and inhabitants and for the payment of salaries of the municipal personnel including a school master. Following the setting up of the corporation, there was resistance among people to pay taxes. Ultimately in 1726, the corporation was replaced by a mayor’s court which had some judicial rather than administrative powers. A statutory base to the local government in India was not provided until 1793 when a charter Act was passed and subsequently justice of peace were appointed to look after municipal administration in three presidency towns of Madras, Calcutta and Bombay. These justices had to look after the provision of local amenities and for this purpose they were empowered to impose some taxes. During the early years of 19th century, different Acts were passed to impose taxes in number of cities and towns. In 1814, ward committees were set up in some other big cities.

In 1832 there were over 15000 parishes, each being a distinctive unit of local administration but varying considerably in area, population and the number and method of appointment of officials. The parishes in towns and cities exercised important functions in

---

common with rural parishes. The Municipal Corporation Act 1835, established the foundation of present day local government structure by establishing elected town councils which were not concerned with the administration of justice. In 1842, the Bengal Act was passed to set up town committees for sanitary purposes upon application made by two-thirds of house-holders in a town but the Act failed to operate as it was based on voluntary principle and the taxation enforceable under it was of a direct nature. The Public Health Act, 1848, authorized the establishment of a General Board of Health overseeing Local Boards of Health, charged with the duty of providing water supply and drainage either where the inhabitants requested it or where the death rate exceeded 23 per 1000. Municipal corporations assumed these responsibilities for their areas. In 1850, an Act was passed for the entire country and it unlike the earlier statutes, provided for indirect taxation to which people had been accustomed since times immemorial.

A fresh impetus to the growth of local government came in 1863, the government's attention was drawn by the Royal Army Sanitation Commission to the appalling, unhealthy and fast deteriorating sanitary conditions of towns all over the country. Consequential to this note of warning, the government of India Passed several Municipal Acts for various provinces authorizing governors to order the formation of a municipality in any urban areas of the province.
In 1864, of the 49 municipal committees in Punjab, 28 were elected by trade and caste panchayats. Lord Mayo Resolution 1870 – the Policy of financial decentralisation was declared by Lord Mayo in 1870. The famous resolution stressed the need of associating Indians in administration, decentralisation of certain responsibilities to the provinces and strengthening of municipal government for this purpose. The resolution observes the local interest, supervision and care are necessary for success in the management of funds devoted to education, sanitation, medical relief and local public works. “The operation of this resolution in its full meaning and integrity will afford opportunities for the development of self-government for strengthening municipal institutions and for the association of natives and Europeans to a greater extent than before, the administration of affairs”. The main features of this period are indicated below: -

1. Local government in India was introduced primarily to serve the British interests rather than promote self-governing bodies in the country. The resolution of Lord Mayo, 1870 on Financial decentralization also visualized the development of Local Self-government institutions, but this was subordinate to the need for tapping local sources of revenue and of effecting economy by decentralized administration.

2. Local government institutions were dominated by the British and thus most of the Indian population remained deprived of participation in their functioning.

3. The dominant motive behind the institution of local government in India was to give relief to the imperial finances.

4. Election as the basis of membership of local bodies was not introduced except in the (old) central provinces. It may be pointed out that in 1881 four out of every five municipalities were wholly nominated bodies.

PERIOD II – 1882 TO 1918

Hitherto, local government had remained almost wholly non-Indian and therefore, from the Indians point of view, was to a great extent neither 'local' nor 'self government'. Meanwhile, political consciousness was gradually spreading among Indians giving rise to new aspirations. Largely due to his innate liberalism and partly to satisfy public opinion. Lord Ripon who succeeded Lord Mayo as the Governor-General of India, resolved in 1882 to make local government self-governing. He is rightly credited with the enunciation of a new philosophy of local government. To him, local government was predominantly “an instrument of political and popular education”. The resolution embodying this doctrine has been hailed as the Magna-Charta and Lord Ripon, its author, as the father of local self-government in India.
Lord Ripon's resolution enunciated the following principles which were henceforth to inform and guide local government in India:

1. Local bodies should have mostly elected non-governmental, members and Chairman.

2. The state control over local bodies should be indirect rather than direct.

3. These bodies must be endowed with adequate financial resources to carry out their functions. To this end, certain sources of local revenue should be made available to the local bodies which should also receive suitable grants from the provincial budget.

4. Local government personnel should operate under the administrative control of the local bodies. The government personnel who are deputed to the local government must be treated as employees of the local government and subject to its control.

5. The resolution of 1882 should be interpreted by the provincial governments according to the local conditions prevalent in the provinces.

Ripon's recommendations were accepted by Punjab Government in the form of Punjab Acts XIII of 1884 and XX of 1891. In other states also the recommendations were accepted and enforced. Lord Ripon regarded the reform and rejuvenation of local self-government as the
greatest achievement of his vice royalty, but even in this sphere he was not able entirely to press through his plans to a successful conclusion. The actual implementation was only half-hearted and achieve little success.

The local government Act, 1888 set up the country councils, with a similar framework to the boroughs, consisting of councilors elected by the rate payers and aldermen elected by the councilors. The Act of 1888 was a major step towards the concept of sub legislatures and provision was incorporated for decentralization from parliament to country but this was never implemented. The Local Government Act 1894 converted the urban and rural sanitary districts into urban and rural district councils. In urban districts the areas were the same as the former districts but the councilors were now elected by the ratepayers. Rural district required reshaping and they acquired the duties of the rural sanitary districts and highway responsibilities of the parishes or highway districts, were established. In practice the country councils had little control over district councils with their variety of functions and the two tiers tended to operate as separate units, which was not conducive to the most effective development of services. The Local Government Act, 1899 overhauled local government administration in London by replacing numerous district boards and vestries by 28 metropolitan borough

---

councils. It was believed that the boroughs would act as a counterweight to the London country council as they were given responsibility for public health, housing, rating, libraries and recreational services. It was not foreseen at that time that most new duties would be assigned to the country council, thus accentuating the imbalance. The corporation of the city of London remained a separate independent administrative unit.

THE ROYAL COMMISSION ON DECENTRALIZATION- 1907

The half-hearted approach to implement Ripon’s proposals continued for some time before finally coming to an end and the local government institutions limped through to the next century. A significant development since Ripon’s resolution came up in the year 1907, when pressurized by the rising discontent among the Indian masses led the Britishers to appoint the Royal Commission on Decentralization. The commission presided over by C.E.H. Hobhouse, submitted its report in 1909. A significant omission by the Ripon regarding the strengthening of village Panchayats was rectified by the commission which suggested that the “foundation of any stable edifice which shall associate the people with administration of the village”, and urged the government “to constitute and develop village panchayats for the administration of certain local affairs within the village.”

institutions to the excessive official control, narrow franchise, meager resources, lack of education and training and shortage of capable and committed persons.

In order to increase the devolution of power and gradual democratization of the local bodies, the commission made the recommendations mentioned ahead: -

1. The village should be regarded as the basic unit of local-self government institutions and every village should have a panchayat. Municipalities should be constituted in urban areas.

2. There should be a substantial majority of elected members in the local bodies.

3. The Municipality should elect its own president, but the district collector should continue to be the president of the district local board.

4. Municipalities should be given the necessary authority to determine the taxes and to prepare their budgets after keeping a minimum reserve fund. The government should give grants for public work like water-supply drainage schemes, etc.

5. The bigger cities should have the services of a full time nominated officer. Local bodies should enjoy full control over their employee's subject of course, to certain safeguards for the security of service.
6. Outside control over the local bodies should be restricted to advice, suggestions and audit.

7. The government control over the municipal powers of raising local loans should continue and the prior sanction of the government should be obtained for lease or sale of municipal properties.

8. The responsibility for primary education should rest with the municipality and if it so desires and if resources permit, it may spend some amount on secondary schools also.

Little, however, was accomplished until 1918 when the government of India issued the resolution re-affirming:

“"The object of local self-government is to train the people in the management of their own local affairs and the political education of this sort must in the main take precedence on consideration of departmental efficiency. It follows from this that local bodies should be as representatives as possible of the people whose affairs they are called upon to administer, that their authority in the matter entrusted should be real and not nominal and that they should not be subjected to unnecessary control, should learn by making mistakes and profiting by them."" The resolution contained the following:

1. Panchayats should be revived in villages.

2. Local bodies should contain a large elective majority.

3. Local government should be made broad-based by suitably extending the franchise.
4. The president of the local body should be a member of the public and elected rather than nominated.

5. Local bodies should be allowed freedom in the preparation of the budget, the imposition of taxes and sanction of works.

PERIOD III – 1919 TO 1934

With the out break of the first Great War (1914-1918) the British Government felt it necessary to gain support and co-operation from the people in India. The British Government ultimately came out with the historic announcement to seek increasing association of Indians in every branch of the administration and the gradual development of self-governing institutions with a view to the progressive realization of responsible government in India. This announcement marked the end of the epoch in India and the beginning of a new one. The Government of India Act of 1919 was enforced in 1920 to lead the country towards this goal. A beginning in responsible government was made in the provinces by introducing, a diarchal system of government. Certain functions which were of development nature like local self-government, co-operation, agriculture etc. were transferred to the control of the popularly elected ministers who were responsible to the legislature and elected on a wider franchise.

The Government of India Act of 1919 thus inaugurated an era of new interest and activity in the field of local government. This period
witnessed a series of amending Acts on Local Government in every province. The practice of having a civil servant as the president disappeared from all municipal bodies, and from a number, thought not from all, of district or local boards, the franchise was further democratized, the local bodies were freed from many restrictions in respect of preparation of budget and finally the executive direction passed into the hands of the elected members of the public. A number of Acts were passed by the provincial legislative councils between 1921-1926. After the introduction of provincial autonomy, unlike urban local government, rural local government got some encouragement. Funds were made available for the rural reconstruction. Panchayat legislation was introduced in Bombay and some of the princely states.

The Local Government was thus set to move in the direction of democracy. Simultaneous with a measure of democratization of local government, there occurred a gradual but unmistakable decline in efficiency in administration of local affairs. Corruption increased, favouritism and nepotism became rather rampant and the local civil service came under the influence of the local politicians and even started working for them and as a consequence, jobbery in municipal appointments increased.

The Local Government Act 1929 contained a number of important provisions of which one was the abolition of the only
remaining adhoc authority—the Guardians of the poor. Their functions (poor law, registration and hospital service) were transferred to the country councils and country borough councils. Another aim was to improve the condition of roads in country areas to keep pace with the increasing number of vehicles by transferring the highway powers of rural districts to the country councils. The Act also recognized the need for regional planning over wider area than those of individual local authority units. A most penetrating analysis of the functioning of this first experiment in self-government in India was made by the Indian statutory commission (The Simon Commission) in 1930. The Punjab Municipal (Executive Officers) Act was passed in 1931. The Act empowered the government to appoint an executive officer in a municipality which had failed to discharge its obligations properly. The Punjab Municipal Amendment Act, 1933 provided for the establishment of a local self-government board or an inspector of the local bodies for excising greater control on municipal committees. As a result of the use of the power conferred on the government by these Acts, more municipalities were superseded by mid-thirties.

The overall growth of local self-government up to 1935 was not much encouraging. The period up to 1935 presents a mixed picture of failures and successes. The growth was more or less encouraging in the rural areas but the position was opposite as for as urban areas are concerned. On the other hand, all the local government institutions were democratized and the involvement of official
element in these bodies was on the decline, while the financial autonomy and the control over their personnel were on the increase. But the most dismal side was the gradual deterioration of local government services. Working of the local councils was becoming more and more degenerated while the indiscipline inefficiency and corruption was on the increase.

PERIOD IV – 1935 TO 1949

Next phase of the growth of local self-government in India is marked by the passage of government of India Act, 1935. This Act pushed the process of democratization of the government and administration still further. It replaced the diarchy system in the provincial governments by provincial autonomy. The national movement for independence was also reaching new proportions. With the growing strength of the national movement and the achievement of provincial autonomy, the local government in India ceased to be a mere-experimental station of self-government, it become, indeed the constituent part of self-government for the country as a whole. The Financial position of local bodies was strengthened. But the latest Act created confusion in the sphere of taxation between the local bodies and the provincial government and created new problem in regard to the devising of an adequate system of local taxation and local finance.10

The Act of 1935 resulted in nothing more than minor improvements as far as the local self government is concerned. Thus the last opportunity offered by the Government of India Act, 1935 was too short lived and the subsequent years were wholly devoted to a keen struggle for freedom during which problems of local government naturally paled into insignificance before the question of national and international importance. Whatever efforts being made towards the growth of local government institutions, it came to a halt with the outbreak of second world war and the resignation of popular ministries in all the congress dominated provinces. The Governor assumed entire responsibility for the administration of their province and continued to do so till 1946. Though the progress of local self government suffered a set back during this period, certain positive developments also took place. Among the progressive steps can be included the enlargement of the functions and powers of the local bodies, separation of executive and legislative functions in larger urban local bodies, abolishing the systems of nominations, widening the franchise and diagnosing the hurdles in the way of the development of local self-governing institutions.

During this period provinces launched investigations into local governing bodies with a view to making them apt institutions for

---

conducting local affairs. The Central Provinces set up an enquiry committee in 1935, the united provinces in 1938, and Bombay in 1939. Although the recommendations of the municipal enquiry committees were unevenly carried out in various provinces, there was a definite trend towards democratization of local government by further lowering of the franchise and abolition of the system of nominations, and secondly, by the separation of deliberative functions from executive ones.

The independence of the country in 1947 ushered in a new period in the history of local government in India. With the termination of alien rule there was self-government at all the levels – central, provincial and local. The local government was thus, enabled to function for the first time under an atmosphere of national independence. In 1948 the ministers on local self-government in the provinces met under the chairmanship of the central minister for health. An account of local government of this period should contain a description of the scheme of local government formulated originally in 1937, and implemented in a modified form in 1948, in the central provinces. This scheme could be revived only after India attained independence in 1947. In a modified form, this scheme known now as the janapada scheme of local government was adopted in 1947 by the central provinces legislative assembly by its enactment of the central provinces and Berar Local Government Act, 1948. The janapada
scheme was implemented in 1948. Despite its shortcoming it had a historical role to play in the evolution of local government in the central provinces.

The onward journey in the local government is also marked by the appointment of a number of commissions, committees or conferences. In 1949, the Local Finance Enquiry Committee was appointed to look into the financial position of the local bodies and to give suggestions for improvement of the same. Having a broader perspective the committee recommended that the wholesale transfer of functions from local bodies to the state government was a retrograde step and should be avoided. The committee also made a number of recommendations in order to strengthen the financial position of the local bodies to enable them to function as instruments of national policy. The recommended measures included the giving of adequate grants, share of the land revenue and raising their taxation powers.12

PERIOD V – 1950 TO PRESENT DAY

As the present constitution of India came into force in 1950, the local government may be said to have entered a new phase in that year. The constitution has allotted local government to the state list of functions and secondly, in the directive principles of state policy, affirmed: “State shall take steps to organize village panchayats to endow them to function as units of self government.”13

---

13 Article 40 of Constitution of India.
As compared to the dramatic changes in rural local government, the development of urban local government has been slow to the extent of being unimpressive. It is only of late that the urban local government has attracted the attention of the government. The Third-Five Year Plan took note of the significance of urban local government and said: In the next phase of planning as many towns and cities as possible, at any rate those with a population of one lakh or more, should come into the scheme of planning in an organic way, each state mobilizing its own resources and helping to create conditions for a better life for its citizens.

The development of urban local government, as compared to that of rural local government has been much slow after the independence. The reason for this in balance lies in the facts of political life. Democracy is the respecter of numbers and in terms of numbers, rural India represents over two thirds of the total national population. But the irrepressible facts of industrialization and its hand maid, urbanization could not be ignore for long. However, the first two plans did not carry much for the improvement of urban local bodies. It was only at the end of the second plan the planners focused their attention on the urban local bodies also.

Many state governments set up committees to enquire into the functioning of local government institutions and to suggest remedial

---

measures. The central government also appointed committees to this end. The Panchayati raj was, indeed, recommended by a committee set up by the central government. The central government is credited with setting up the largest number of committees to examine various facts of Panchayati Raj: - Maharashtra, Gujarat, Rajasthan, and Mysore set up committees to recommend suitable forms of Panchayati Raj to be introduced. Similarly Maharashtra, Madhya Pradesh, Punjab and Gujarat constituted committees to examine the functioning of urban local governments and suggest reforms.

Local Government is the third stratum of government since 1993 but it falls within the jurisdiction of the states. As in therefore, to be expected, there are some notable variations in nomenclature, pattern of local government and its working in various states. Yet, there is an unusually high degree of uniformity in the system of local government in the country. This is so, because, historically, local government in India is a product of a exceptionally centralized administrative system. Under the present constitution it has been shaped within the framework of centralized planning. Further, the continuance of the same political party in power at centre and in states for a long time following enactment of the present constitution is another factor to be reckoned with.

One of the earliest of the P.V. Narasimha Rao Government coming into power at the centre was to amend the Indian
Constitution to provide constitutional base to local government both rural and urban. This was a revolutionary development in the field of local government in India. The constitutional amendment becomes operative since April 1993. Now, local government, both rural and urban, constitutes the third stratum of government in its own right. As a result, both rural government and urban government have been overhauled.

COMMITTEES AND COMMISSIONS APPOINTED BY THE CENTRAL GOVERNMENT

The central government has been appointing various committees/commissions to enquire into the working of urban local government and to make suggestion for their improvement, the important from amongst them are:

(i) The local Finance enquiry committee (1945-51), had pleaded for separate and district tax zone available for utilization by local governments alone without any encroachment by the state or central government.\(^{15}\)

(ii) The taxation Enquiry commission (1953-54) had observed that the growth of Municipal revenue was inadequate in relation to the growth of expenditure on important civil services, and had recommended the segregation of certain taxes for exclusive utilization by or for local government.\(^{16}\)

---

15 Report of the local finance Enquiry Committee, Delhi, Manager of Publication. 1951, p. 61
(iii) The committee on the training of municipal employees (1963) had laid emphasis on the need for imparting training to municipal personnel and recommended the setting up of training institutes at the central level and also in the states. It had entrusted, among other things, the central institute the responsibility to prescribe the standards of training and research and itself serve as a model in this respect.¹⁷

(iv) The Committee of Ministers on Augmentation of Financial Resources of Urban Local bodies (1963) set up by the central council of local self government, lamented the reluctance of local bodies to step up taxation even in the field earmarked for it and exhorted them to evince courage and enthusiasm in the levy and collection of taxes put at their command, to take up remunerative activities which would create perennial non tax revenue and to set up statutory urban Development Boards to undertake town development.¹⁸

(v) The committee on service condition of municipal employees (1965-68) also set up by the central council of local Self-Government recommended the constitution of state wide cadres of municipal employees to ensure that the personnel available

---

for municipal employment would have the desired competence and prestige enjoying appropriate conditions of service.¹⁹

COMMITTEES APPOINTED BY THE STATE GOVERNMENTS

The State Governments have also been appointing committees and commissions to look into one or the other aspect of urban local governments but mainly into their finances, system of grant-in-aid and personnel system. Some of the Committees/Commissions constituted by them have been as follows:

(i) Assam, had set up the Finances of Municipal Committee (1969)
(ii) Delhi, the Delhi Municipal Organisation Enquiry Committee (1948).
(iii) Gujarat, the Municipal Rationalization Committee (1961)
(iv) Kerala, the Municipal Growth Enquiry Committee (1965)
(v) Punjab, the Local Government (Urban) Enquiry Committee (1957).

Besides these committees set up by individual state to study specifically the problems of urban local governments in their respective jurisdictions, some committees appointed by them on administrative reform have also included urban local governments in their areas of study. The Punjab Administration Reforms Commission (1964-66) for instance made a series of recommendations for reform in local government as well. Similarly the committees/commissions of

¹⁹ Report of Committee on the service conditions of Municipal Employees, New Delhi, Ministry of Health and Family Planning and Urban Development, 1968, p. 32.
Enquiry have been instituted to look into the functioning of individual local bodies, such as the corporation of Calcutta Investigation Commission (1950), the Punjab Water Supply and Sewerage Board in Punjab (1989), the Committee to look into the matter of abolition of Chief Executive Officers in Haryana (1989) and so on.

THE CENTRAL COUNCIL OF LOCAL SELF-GOVERNMENT

The Central Government in the ministry of Health had for the first time convened a conference of the state local self-government ministers in August, 1948 under the chairmanship of the central Minister of Health when a resolution was passed that to ensure coordination, a conference of local self-government ministers should be held once a year. The central council of local self-government though convened in 1948 was constituted by an order of the President in 1954. It then consisted with the central Minister of Health (but now the minister of urban development) as its chairman and the Ministers of local self-government in the states. It can invite experts and technical advisers to its meetings but they have not the right to vote. Originally, it addressed itself to the problems of both the rural and urban local government but since 1958 it deals with urban local government only. Its main functions are: to consider and recommend broad lines of policy in matters relating to local government in all its aspects, to make proposal for legislation on matters relating to local government, to draw up a common programme of action, and to make
recommendations to the central government regarding the allocation of financial assistance to local bodies and to review the work accomplished in different areas with such central assistance.

It passes resolutions at its annual meetings and also reviews implementations of earlier resolutions. It is a purely advisory body. It also sets up committees to look into problems of urban local governments, as it did set up the committee of ministers on Augmentation of Financial Resources of Urban local bodies in 1963 and the committee on service conditions of Municipal Employees in 1965.

SEMINARS AND CONFERENCES

The central government has been convening conferences of state ministers of local self-government. All India council of Mayors, Municipal Commissioners of Municipal Corporations, State Ministers of town and country planning, Housing Ministers, Periodically at Delhi or some other convenient place in the country and sponsoring a number of seminars of regional and all India level on various topics of urban government. The Indian Institute of Public Administration for example, held a seminar on Improving City Government in 1958 and Cabinet System in Municipal Government in 1969. A brief mention of the various conferences regularly convened by the Ministry of Urban department is made below: -
1. The Conferences of All India Council of Mayors. All India Council of Mayors is a forum of the Mayors of Municipal Corporations in the Country. It has been meeting annually since 1959 under the Chairmanship of Minister of Health when Urban Development was a part of the Ministry of Health and under the Union Minister for urban Development since 1985 when a separate Ministry of Urban Development was created. The council discusses subjects of common interest to the Mayors such as delegation of additional powers to Mayors, amendments of Corporations Acts in order to enable effective control over the executive wing, grant of emergency powers to Mayors, introduction of Mayors-in-Council system to make the Mayor political executive, grant of constitutional status to local bodies etc. The All India Council of Mayors has set up an Executive Committee which meets in between the sessions of the council and opines on various aspects of the problems of Municipal Corporations.

2. The Municipal Commissioners conference: The Municipal Commissioners conference was convened for the first time in 1965 at the initiative of the Municipal Commissioner of Delhi Municipal Corporation to discuss the common problems of the Municipal Corporations. It was subsequently merged into All India Council of Mayors in 1961 which was designated as
conference of Municipal Corporations, instead of the conference of Mayors. Similar organizations of Presidents of Municipal Committees and Executive Officers of Municipal Committees also exist at the state level. The former discuss and take joint decisions about the implementation of decisions taken by the state government as did the conference of municipal presidents in Harayana not to implement the like in civic taxes announced by the state government in 1988 and demanded the abolition of the posts of chief Executive Officers. The latter also discuss civic problems but concentrate more on the improvement of the service conditions.

3. Conferences of State Ministers of Local Self Government/Ministers of Town and Country Planning/Housing Ministers:– The Ministry of Urban Development also Convenes Conference of state Ministers of Local Self Government, Ministers of town and country planning and Housing Ministers from time to time to enable them to exchange their views on civic problems, matters relating to regional and urban planning. Suggest measures legislative, administrative and financial to solve the problems confronting the states in these fields and to report on the decisions previously taken and to formulate new policies on the subjects under discussion.
The greatest landmark in the evolution of urban local government in the post independence period was the setting up of Ministry of Urban development in 1985. To begin with urban local government was the responsibility of the Ministry of Health as local government had its beginning in an urge to improve sanitary conditions as recommended by the Royal Army Sanitation Commission (1863). The Ministry of Health looked after both rural and urban government until 1958 when the former was separated from it and put under the charge of Ministry of Community Development. In January, 1966 a part of local government namely, Urban Development was made the responsibility of the Ministry of works and Housing which was renamed the Ministry of works, Housing and Urban Development.

In 1967, the subject of urban development was transferred to the Ministry of Health which was designated as Ministry of Health, Family Planning Works, Housing and Urban Development. In February 1973, the subject of Urban Development was transferred to the Ministry of Works and Housing. It was in 1985 that on realizing the magnitude and complexity of urban problems resulting from urbanization taking place at an alarming rate in the country that the Government of India decided to set up a separate Ministry of Urban development and entrusted it the responsibilities of broad policy
formulation and monitoring programmes in the areas of housing, Urban development, Urban poverty alleviation, Urban Water supply and Urban transport in addition to construction and maintenance of central government buildings and management of central government land and property.

The state governments have also set up Departments/Directorates of urban local government in conjunction with other departments of allied nature or as separate departments on the recommendations of the committee on Augmentation of Financial Resources of Urban Local Bodies (1963), the Central Council of Local Self Government (1965), the study team on District Administration of the Administration Reform Commission (1967) to reduce the congestion of work at the secretarial level, to fulfill the need for a field organisation on the pattern of the Directorates of other Departments and to serve as a bridge between the municipalities and the state level institutions.

NATIONAL COMMISSION ON URBANISATION

Another landmark in the evolution of urban local government was a setting up of National Commission on urbanization in 1985 by Government of India to make a comprehensive analysis of the rapidly growing phenomenon of urbanization and of the problems caused by it for the urban governments and to suggest measures to combat it. The Commission was set up after a lapse of twenty years after the
submission of the reports of the Rural-Urban Relationship Committee (1966) which had also examined the urban government setting comprehensively. The national commission on urbanisation had examined the various urban problems in depth especially those of dimensions of urbanisation, urban future, urban pattern, spatial planning, urban poverty, finance, urban management, housing, conservation, transport, water and sanitation, energy, peoples’ participation, Information system and legal frame work etc. and made recommendations for their solution in its seven volume report submitted in 1988. The Government had since, accepted most of these recommendations and incorporated them in the constitution (63rd Amendment) Bill, 1989, which was later on enacted as the constitution (74th Amendment) Act, 1992. The Central government has been conscious of the deficiencies in the organisation and functions of urban local government and the factors responsible for their dismal performance and deterioration in the post independence period. Such as:

(i) The drafting of top national leaders in the parliament and the central government and to some extent in the state legislatures and state governments resulting in the domination of local bodies by inept politicians and consequent increase in political nepotism and corruption,

20 Report of National Commission on Urbanisation, Govt. of India, Ministry of Urban development, 1988, Vol. I.,
(ii) The increase in functions of municipal bodies due to the increasing pace of urbanization has not been matched by corresponding increase in their finances resulting in their inability to cope with their increased responsibilities and the deterioration in the quality and quantity of services,

(iii) Local bodies continue to be governed by the early 19th century framework of municipal administration, laws and bye-laws, rules and regulation, practices and procedures – the cities today have to plan for the 21st century while the institutions which are supposed to implement these plans are a hangover of the 19th century.

(iv) The five year plans have hopelessly admitted the severe limitations of municipal administration while doing very little about introducing radical changes in such administration.

(v) The Finance Commission which is appointed every five years under the constitution of India is not required to look into the problem of local finance.

(vi) The States, do not generally consider urban problems as of any particular consequence and usually the ministry of local self government is one of the unimportant ministers,

(vii) The state governments superseded municipalities and corporations on political grounds through some other excuse was given;
The corporations and municipalities are by and large centres of inefficiency, corruption and political nepotism. Most of them are bankrupt and cannot in any way tackle the big problems in the field of housing, transport, environmental pollution etc. In short, the municipal bodies are not geared to urban planning as understood today but perform municipal functions as understood in the 19th century. They have neither the financial viability nor the legal backing to confront urban problems except in the united sphere of zoning, land use planning etc.\textsuperscript{21}

The government had introduced constitution (63\textsuperscript{rd} Amendment) Nagarpalika Bill, in August, 1989 with view to give power to the people and to strengthen, revamp and rejuvenate urban local governments. Its main provisions were the constitution of Nagar Panchayat for areas in transition from rural to urban areas, ward committees in Nagarpalikas and Zonal Committees in Maha Nagarpalikas reservation for scheduled cases/scheduled tribes and women, state finance commission to recommend the principles to ensure soundness of local bodies finances, conduct of elections by the State Election Commission, audit of accounts by the controller and Auditor General of India and above all, the grant of constitutional states to local bodies.

THE CONSTITUTIONS (74TH AMENDMENT) ACT, 1992

The Nagarpalika Bill introduced in 1989 was hailed as historic and momentous. It was passed by the lok Sabha but it was defeated in the Rajya Sabha by a narrow margin of three votes. The congress (I) Government again in power, introduced the bill in the form of Constitution (73rd Amendment) Bill on 16th September, 1991. The Bill was passed as the constitution (74th Amendment) Act, 1992. It would prove the greatest landmark in removing the deficiencies that the urban local governments have been suffering from for the last one hundred years and strengthening them to ensure their efficient and effective organisation and functioning in the best interests of the residents of urban areas in the country.

A striking feature in the development of urban local bodies after independence is their total separation from the rural local government bodies. However as stated earlier, their development since independence has been much slow as compared to that of rural local bodies. The departments of community development and Panchayati Raj have been set up in the states as well as at the centre to deal with rural local government. The departments of local self-governments in the states are, consequently, concerned with only the urban local government. Another major change after independence was that the principle of executive dominance was no longer tenable. It was replaced by the idea of checks and balances.22

---

Presently there is great variation in the type, size, structure, functions, power, etc. of urban local government bodies. The number of Municipal Corporations, which was quite low at time of independence, gradually went up. Municipalities in a number of big cities were converted into Municipal Corporations following the basic pattern of Bombay.

Local government falls with the jurisdiction of the states. As is, therefore, to be expected there are some notable variations in nomenclature, pattern of local government and its working in various states. Yet, there is an unusually high degree of uniformity in the system of local government in the country. Though many changes have been introduced in different governmental organizations, the overall model of corporations remained unchanged.\textsuperscript{23} The number of Municipal Corporations in the country has gone up to 38 while that of municipalities has crossed 1500.\textsuperscript{24} Apart from these were over four hundred town area committees, over two hundred notified area committees and over sixty cantonment boards, being the other forms of urban local government institutions. However, these institutions suffer from a number of Maladies and there is a cry for appropriate reforms in urban local bodies. This is so, because, historically, local government is a product of an exceptionally centralized administrative system. Under the present constitution it has been shaped by

\textsuperscript{23} Ibid.
\textsuperscript{24} Times of India, Dictionary and Year Book, New Delhi, 1980-81, p. 206.
centralized planning. Further the continuance of the some political party in power for seventeen year at centre and in states is another factor to be reckoned. A happy development towards this is the transfer of "Urban Development to the Ministry of works and Housing". The areas of some significant changes in urban government, thus appears to be in the offing.25 It can be hoped that the faithful execution of the various provisions of the Constitution (74th Amendment) Act, 1992 will revolutionise and revitalise for functioning of the urban local bodies.