CHAPTER III

CONCEPT AND FUNCTIONS OF MUNICIPAL CORPORATION

3.1 Introduction

The concept of Municipal Corporation is not new if one considers the old Roman system of local administration. The researcher introduced this idea with a view to monitor the function of local authority in a small country in an effective manner. The idea was utilised for the establishment of local civic authority which will work to address the problems of local authority, people, citizens and other habitat. The principal of this is to protect the interest of citizens, provide facilities, development of an appropriate defence mechanism and collect revenue on behalf of government.

In India even in ancient time the concept of local authority was in vogue. There are many instances of local administration quoted in the era of Ramayana and Mahabharat. Jahapat indicate the sin.

In ancient scripture the Manusmriti, Sukraniti and Kamandikaya, Nitisar; the idea of appropriate local administrative was rightly explained. The concept of Kul nagar and Gana Rajya was an example of systematic local administration.

In Kautilya Arthashastra\(^3\) a elaborate explanation of duty and role of civic authority is rightly depicted. Kautilya was one of the pioneer exponents of civic authority who rightfully established need for strong control over local authority and established a right link between civic authority and the central government. He has explained the functions and duties to be performed by civic authority. The mode of collection of revenue and types of taxes levied. Today’s idea is further developed and position of civic authority, countries administration, civic body and Municipal Corporation has gained significant importance.

*3.a K. Shamshastri, Kautilya Arthashastra, Penguin Publication, New Delhi*
3.2 Objectives of writing this chapter

The principal objectives of writing this chapter are as follows;

1. To understand the process of modern municipal corporation.
2. To understand the salient features of modern municipal corporation.
3. To examine the role of Municipal Corporation in economy and the country.

3.3 Definition of Municipal Corporation

The term of Municipal Corporation is defined by many experts. However, it will be appropriate to take a few important definitions which are as follows:

1. Municipal Corporation is an incorporated political subdivision of a state that is composed of the citizens of a designated geographic area and which performs certain state functions on a local level and possesses such power as are conferred upon by the state\(^3.1\).
2. A municipal corporation is a city, town, or borough that has governmental powers\(^3.2\).
3. Goel S. L. defines Municipal Corporation is an incorporated political subdivision of a state that is composed of the citizens of a designated geographic area and which performs certain state functions on a local level and possesses such power as are conferred upon by the state\(^3.3\).
4. In the words of W. B. Mumo "A municipal corporation is a subordinate political body established by the authority of law, its existence evidenced, by general or special character with a corporate name, with defined limits and population and with delegated powers of local government. It is created by law and depends for its existence as well as its powers upon the state or nation\(^3.4\)."

\(^{3.1}\) Dr. Maheshwari Shriram, Local Government of India, Orient Longmain Publication, New Delhi, April 1971, page no. 13 – 16

\(^{3.2}\) www.shodhganga.com

\(^{3.3}\) Goel S.L. Development Administration, Deep & Deep Publication, New Delhi, 2010

\(^{3.4}\) http://www.unescap.org
Table No. 3.1: Progress of Local Government

<table>
<thead>
<tr>
<th>Period</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>1687-1881</td>
<td>Local government was viewed and utilized to collect central and provincial finances.</td>
</tr>
<tr>
<td>1882-1919</td>
<td>Local government began to be review as self-government.</td>
</tr>
<tr>
<td>1920-1937</td>
<td>Local government came within the jurisdiction of provinces and further was transferred to popular control.</td>
</tr>
<tr>
<td>1938-1949</td>
<td>Local government was in a state of repair and reconstruction.</td>
</tr>
<tr>
<td>1950-1991</td>
<td>Local government has been keyed to the requirement of the constitutions.</td>
</tr>
</tbody>
</table>

(Source: Local Government in India by Dr. Shriram Maheshwari, page No. 14.)

3.4 Need for Municipal Corporation

The need for Municipal Corporation was felt because of following reasons:

1. Growing rate of urbanisation.
3. Migration of large scale population from rural to urban.
4. Opportunities of employment, self-employment and better living.
5. Search for new avenue of trade, commerce and industry.

3.5 Emergence of Modern Municipal Corporation

The modern Municipal Corporation came into existence with the development of new system of administration, civic regulation and new kind of governance.

3.5 Dr. Maheshwari Shriram, Local Government of India, Orient Longmain Publication, New Delhi, April 1971
The concept of small kingdom slowly withers away due to democratic state and nation of larger size. The small town which was of independent lost its relevance and a new type of system of governance came into existence. As such the concept of nation becomes very strong. This new nation was in need of new kind of administration which will put control the upcoming cities township and thus need for better administration came into force.

Further, the concept of local administrative changed because of growth. The new trends in trade and commerce resulted in larger size of township.

And thus now we are having a new form of local administrative which is useful to cover large township, cities even in metros and mega cities.

The modern concept of local administrative came into existence in United State of America with the advent of big township. Formal structure of township with regulation, rules of governance, mere autonomy and authority were also automatically developed. Administrative of local authority, representative of people, social activist are also contributing to modern civic authority.

Today Municipal Corporation has become a special discipline of administrative itself.

3.6 Salient features

Municipal Corporation has following important features.

1. It is a well design civic structure.
2. It has systematic form of civic organization.
3. It has its own autonomous set of organization.
4. It looks after specific territory.
5. There is a system of local authority to perform functions of administration, maintenance and development.
6. There are representative of people who participate in the local administration.
7. It works as a representative administrative agency of central and state government.
8. The central and state government has a right to control, supervise and monitor the local authority.
9. It has delegated and executes functions to be performed by state and central government.

3.7 Forms of Urban Government

Diagram 3.1 : Forms of Urban Government

Municipal Corporation

Municipal Corporations are set up only in big cities. The 74th Amendment Act provide that the area for different types of urban bodies would be specified by the Governor of the State, taking into account the population, density of the population therein, revenue generated by the local body, percentage of employment. It has statutory status as it is created by an act of the State legislature or of the Parliament in case of Union territory. It is a popular body that provides representation to local people. It does not have a sovereign status or inherent power. An important feature of a municipal corporation is that there is a statutory separation of the legislative (or the deliberative) wing and the executive wing. Most of their members are directly elected on the basis of adult franchise. The Mayor heads the council of a corporation and its standing committees constitutes the deliberative wing.
which takes decisions. The Municipal Commissioner is the executive authority responsible for enforcing these decisions. Collectively the council headed by the Mayor. The standing committees and the Municipal Commissioner make up the corporation.

**Notified Area Committees**

In urban planning, a Notified Area is any land area put aside by legal provision for the further development. The Notified area Committee is set up for an area which does not yet fulfil all the conditions necessary for the constitution of a municipality but which state government otherwise considers important. It is not created by statute but by a notification in the government gazette and hence the name 'Notified Area'. The state government constitutes a committee called the Notified Area Committee to administer this area. All the members of this committee are nominated by the state government and there are no elected members. Its Chairman also appointed by the state government.

**Town Area Committees**

It is a semi-municipal authority, constituted for small towns. Such committees exist in several states. The Town Area Committee is constituted and governed by an Act of the State legislature and its composition and functions are specified in it. The members may be partly elected and partly nominated by the State government.

**Cantonment Boards**

When a military station is established in an area, the military personnel move in and, to provide them with facilities of everyday life, a sizeable civilian population also joins the developing area. This form of urban local government is also a British legacy. Cantonment boards were first set up under the Cantonment Act in 1924. These boards are generally administrated by the Defence Ministry. Board consists of elected and nominated members and the officer commanding the station is the President of the board. An elected member holds office for five years whereas the nominated ones continue as long as they hold office in that station.
Townships

Several large sized public enterprises have been set up in India, near the plants, housing colonies have been built for the staff and workers. Since these industries are a source of employment, people from urban as well as rural areas are drawn to them and, resultantly, Small Township revolves around them. The townships are well planned and contain facilities like water, electricity, roads, health, etc. The expenditure on these services is shared by the industry concerned.

The form of local government is selected on following parameters:

i. Metropolitan Cities
ii. Territorial size.
iii. Population in the particular area.
iv. Specific requirement of a particular territory.
v. Purpose of establishing the local authority.
vi. Availability of funds.
vii. Special problems of local area.
viii. Development of local authority.
### Table No. 3.2: Characteristics of Urban Local Government

<table>
<thead>
<tr>
<th>Local Government Type</th>
<th>Characteristics</th>
</tr>
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<tbody>
<tr>
<td><strong>Municipal Corporation</strong></td>
<td>• Established in metropolitan areas or big cities</td>
</tr>
<tr>
<td></td>
<td>• Wider functions and larger powers than councils, enjoy more autonomy and have</td>
</tr>
<tr>
<td></td>
<td>larger revenue resources.</td>
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<tr>
<td></td>
<td>• Separation of deliberative from executive functions and vesting of all executive</td>
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<tr>
<td></td>
<td>powers in an appointed authority who is independent of the elected body.</td>
</tr>
<tr>
<td>Constituted</td>
<td>Constituted in &quot;large urban areas&quot;</td>
</tr>
<tr>
<td><strong>Municipal Committee/Council</strong></td>
<td>• Most popular form of local government in urban areas</td>
</tr>
<tr>
<td></td>
<td>• Set up in cities and large towns.</td>
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<tr>
<td></td>
<td>• Extent of State control is relatively larger than corporations.</td>
</tr>
<tr>
<td>Constituted</td>
<td>Constituted in &quot;small urban areas&quot;</td>
</tr>
<tr>
<td><strong>Nagar Panchayat</strong></td>
<td>Constituted after 1992</td>
</tr>
<tr>
<td>Constituted</td>
<td>Constituted in &quot;areas in transition from rural to urban&quot;</td>
</tr>
<tr>
<td><strong>Notified Area Committee</strong></td>
<td>• Set up by State government in medium and small towns</td>
</tr>
<tr>
<td></td>
<td>• Created for areas which do not fulfill conditions for important</td>
</tr>
<tr>
<td></td>
<td>• Also created for newly developing towns or areas where industries are being</td>
</tr>
<tr>
<td></td>
<td>established.</td>
</tr>
<tr>
<td></td>
<td>• All members including Chairman are nominated by State Government and not</td>
</tr>
<tr>
<td></td>
<td>elected.</td>
</tr>
<tr>
<td>Abolished</td>
<td></td>
</tr>
</tbody>
</table>
| Town Area Committee | • Semi-municipal authority constituted for small towns.  
• Members are either wholly nominated or wholly elected, or partly nominated and partly elected | Abolished |

(Source: www.lse.ac.uk/aria Research Centre/_files/ARCWP19-Aijaz.pdt)

3.9 Following points state the importance of Municipal Corporation

i. To take care of the requirements and necessities of the various communities like health, education, water supply, along with matters relating to property and housing taxes.

ii. To conduct election to offer convenient services to the public with their participation. Its main aim is to resolve their daily complications.

iii. To administer the city with such large levels of population and the interactions are made directly with the state government to bring things under control, whenever the need arises.

iv. To help in providing services like public administration, road, water supply, birth, death records, sewage, sanitation, flood control, drainage and other public safety services such as ambulance and fire services in the locality.

3.10: Municipal Corporation Act

Prior to 1992, Indian local government did not have a constitutional status but only a statutory status under state law. Therefore, the governance of urban areas was directly under the control of the state government. This changed with the enactment of the 74th Constitution Amendment Act, 1992. For the first time in the history of urban governance, Urban Local Bodies (ULBs) were granted a constitutional position as the third tier of government. These bodies were given a constitutional outline for conducting regular elections, powers and financial devolution. The Amendment assigned local bodies with the responsibility of providing basic services. Urban Local Bodies are classified depending on the population.
- Nagar Panchayats: for urban areas
- Municipal Councils: for smaller urban areas
- Municipal Corporations: for metropolitan areas

The 74th Constitution Amendment Act provides the outline for elected and nominated councillors. The number of elected councillors varies according to the population of an area. Nominated councillors are to be selected by the elected councillors for their expertise in municipal administration. However, they are not granted voting rights. The 74th Constitution Amendment Act does not specify any specific organizational structure for municipal administration in India.

This is an issue for state legislation and the structure differs from state to state\(^3\).\(^6\).

3.11: Functions of Municipal Corporation:

The important functions of Municipal Corporation can be classified as follows:

Diagram 3.2: Functions of Municipal Corporation

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Obligatory Functions

The obligatory functions are further classified into 2 different categories:

I.

a. Obligatory Function as per directive of constituent.

b. Obligatory Function as per directive of central government.

c. Obligatory Function as per directive by State government.

d. Obligatory Function as per regulation governing Municipal Corporation.

II.

a. Make provision for supply of food, basic and other amenities.

b. Provide food, food grain, vegetables and other eatable through appropriate means of distributions.

c. To provide electricity and power.

d. To develop individual citizen, agencies, business houses, local authority, public building and market.

e. To offer facilities’ of local transport through various means.

f. To construct a local hospital and others as per requirement of people.

g. To provide primary health centre, vaccination.

h. To educate people regarding cleanliness, safety and public hygiene.

i. To provide basic public services like lighting, cleaning of street, removal of danger building, registration of birth and death, etc.

j. To make regulation regarding disposal of death.

k. To provide basic education to all citizens irrespective of caste, creed, gender, etc.

l. To provide eating places, hotel, and such other facilities.
Discretionary Functions

The discretionary functions of corporation are as follows:

a) To improve the availability of public welfare.
b) To establish parks, garden, library, museum and theatre.
c) To provide home for aged and handicapped/disable people.
d) To provide special facilities to physical challenge citizens.
e) To make proper record of land & building.
f) To organize fairs and exhibitions.
g) To provide camping houses, longing houses and other means for local public residence.

Developmental Functions

The developmental functions are as follows:

a) To established industries.
b) To encourage trade and commerce.
c) To provide guidance for self employment.
d) To educate people in term of financial and economic literacy.
e) To create new means of employability.
f) To levy taxes for creation of reserve and funds.
g) To develop trade with other cities, towns and states.\textsuperscript{3.7}

3.12: Conclusion

This chapter helps to understand the concept of modern countries. Today we cannot imagine the modern country without having appropriate designed system and local administration. In order to have the system of local authority it is necessary that different type of civic bodies should be established. Establishment and development of Municipal Corporation is the step towards modern civic society.

\textsuperscript{3.7} Dr. Maheshwari Shriram, Local Government of India, Orient Longmain Publication, New Delhi, April 1971, page no. 174
References

1. K. Shamshastri, Kautilya Arthashastra, Penguin Publication, New Delhi
2. Dr. Maheshwari Shriram, Local Government of India, Orient Longmain Publication, New Delhi, April 1971, page no. 13 – 16
3. www.shodhganga.com
6. Dr. Maheshwari Shriram, Local Government of India, Orient Longmain Publication, New Delhi, April 1971
8. Dr. Maheshwari Shriram, Local Government of India, Orient Longmain Publication, New Delhi, April 1971, page no. 174