CHAPTER II

THE ADVENT OF MUNICIPALITIES IN LOCAL ADMINISTRATION

Local government is an integral part of the three-tier system of government in our country, the other two tiers being the union government and the state governments. Local government is at the bottom of a pyramid of governmental institutions with the national government at the top and the intermediate government i.e. the state government occupying the middle range. Local government operates both in urban and rural areas. There are three categories of local governments in India. They are: 1. Urban local governments, 2. Semi urban local governments, and 3. Rural local governments. The urban local Governments consist of Municipal Corporation, Municipal Boards and Cantonment Boards. The semi urban governments exist in town areas. The Gram Panchayats, Panchayat Samiths and Zilla Parishads, function as rural local government.

The local institutions at the village level flourished in ancient India. These institutions had reached a high degree of maturity and influence over the lives of the people. Such local bodies were largely restricted to village administration. The urban local governments had their origin only during the British rule. The British Government as a measure of self-rule, as a source of mobilisation of resources and as an agency of local administration created them.
Local bodies of all types have been subject to state control. But the nature and purpose of the control have been changing from time to time. Prior to independence, the local bodies were subservient to the purpose of smooth running of the British administration in India. In the post-independent period the local governments ought to enjoy full autonomy, subject to the guidance and control of the state governments. The problem is how should the state control be designed and exercised to foster the welfare of the people. ⁴

**Importance of Local Self Government**

The local government assumes great importance not only because of the services it renders to the community, but also for the opportunities it provides to the people to take an active part in the decision making in the local level. It enables the people to show their creative intelligence and patriotism and provide solutions for their typical local problems. As has been viewed by Lord Ripon, local institutions were desirable as an instrument of political and popular education through which the people of India could be trained to take an intelligent share in the administration of their own affairs. ⁵

Further, in a democratic government a system of local self-government, entrusted with the local functions, is an inescapable necessity, especially when the functions of the state are increasing and are becoming more complex.
Local Government and Local Self-Government

The term "Local Government or Local Self-Government" means the government by freely elected local bodies which are endowed with power, discretion and responsibility to be exercised and discharged by them, without control over their decisions by any other higher authority. Their actions are however, subjected to the supremacy of the national governments. While defining Local self-government, Harris observed that local inhabitants representing local body possessing autonomy within its limited sphere, raising revenue through local taxation spending its income on local services constitute the local self-governments.6

Local self government may be said to involve the conception of territorial non sovereign community possessing legal rights and its necessary organisation to regulate its own affairs. This in turn, presupposes the existence of local authority with power to act independently of external control as well as the participation of the local community in the administration of its own affairs.7

The terms 'Local Government' and 'Local Self Government' are used with reference to local bodies. "Local government means the power to determine and execute measures" within a definite area but not over the whole state. However, the "Local Government" means that the local institutions should be possessed with the freedoms "to decide and act". In this
connection Harris viewed that the term Local Government means the local
agents appointed by, and responsible only to the Central Government.\(^8\)

The local self-government in India of today owes very little to local
self-government that existed in the Ancient and Medieval India. At the same
time, it must be remembered that the conception of local self-government was
not foreign to the genius of the people of India\(^9\). Hence, it would be much
desirable to peep in to the existence of local government in ancient India.

**Local Government in Ancient India**

Various types of local government existed under the Chola, Pallava, Pandiya and Vijayanagar kingdoms. They were the Sabhas, Ur, Nagaram, Nadu and Mandalam. The officers of the Central Government attended their meetings when they transacted important business. The officers of the Central Government supervised their administration.

The Sabha was an assembly that existed in the Brahmadeya villages granted to the Brahmanas there. The Sabha was purely a Brahminical body, existing in the Agrahara, i.e. localities inhabited by the Brahmanas only. The Ur existed in the non-Brahminical village. The Nagaram was an assembly of merchants that existed during the times of Cholas. It was an urban body.\(^10\)

The Nadu was rural local authority with the wider area and above Nadus there were Mandalams. All the local authorities in Ancient and Medieval India were corporate authorities, based on man-hood suffrage.
The qualifications prescribed for the members of these bodies, particularly to the members of Sabha were platonic. The members should not only be sound scholars proficient in Vedangas but also should have a healthy body to bear the stress and strain of public life.

The responsibility for the administration of the affairs of the body was vested in a small committee appointed by the general assembly. A civil service man known as Madhyasthas, neutrals in politics, assisted the committee. They were appointed and disciplined by the village assembly. They were paid in cash and kind.¹¹

Kautilya's Arthasastra (300 BC) refers to village elders but not panchayats or assemblies. Rulers also founded Cities. An officer appointed by the Central Government administered each city. But Arthasastra does not mention about the existence of municipal councils.

Megasthenes, the ambassador sent by the great Emperor Seleucus to the court of mauryan emperor Chandragupta (300 BC) describes the administration of Pataliputra, the capital city, which was administered by the members of six boards.¹²

Similarly, the Uttaramerur Inscription (AD 919-921) of the Chola emperor, Parantaka I, laid down the regulations for the election of persons to several committees which administered the village. The members of the committees must be proficient in Vedas and Vedangas. They were selected by
They held office for a fixed term and were not eligible for re-election so that all might have an opportunity to serve the village.

The publication of Uttaramerur Inscription induced some scholars to jump to the conclusion that local self-government in Ancient and Medieval India was far more wide spread, more real and more successful than in the days of British rule in India or even at present. They contend that almost every village in the country had a self-governing body of its own. A vast majority of the people lives in villages. If every village has a self-governing body, it meant that almost all people enjoyed the advantages of local self-government. But in the days of British rule, panchayat system were actually introduced in the present century and that too not in all villages but in selected villages or for a group of villages. It is only after 1947 that attempts were being made to extend the panchayat system to all villages.\textsuperscript{13}

The Sabhas that existed during the times of Cholas were communal organisations, consisting of only Brahmanas even though there were other communities living in the Brahmadeya village. Because, the qualifications prescribed for only Brahmanas possessed the members of the Variyam and only they had the privilege of studying the Vedas and Vedangas.

Again, Nagaram, Valinjyar Manigramam and MulaParudiyar were not local government institutions. They were simply guilds whose membership was restricted. The Nagaram was a mercantile organisation. The Valinjyar and Manigramam were economic organisations largely concerning themselves
with mercantile interests, while the Mulaparudiyar was not concerned with the protection or promotion of common interests\textsuperscript{14}

Thus, the local government was not a universal feature in Ancient and Medieval India. The so-called local government institutions of Ancient India had not all the features of local government of present day. They were not elective. They were not territorial in character. They were only functional.

Again it is also said that local government was a success in Ancient and Medieval India than at present. There was a community feeling, tradition and custom strengthened this spirit. As a consequence, there were no group rivalries and the administration of the village went on smoothly. Those in-charge of village administration displayed public spirit, honesty and a sense of responsibility. This belief persisted for two reasons. Firstly, similar views were expressed by eminent British administrators like Sir Charles Metcalfe, Sir George Bird Wood and Eliphinstone. Secondly, India was fighting the British for Independence and the political agitators quoted the British and Indian authorities to prove that the Indians were capable of governing themselves\textsuperscript{15}

The powers and functions of the Local authorities varied from time to time and from one another. However, they were concerned with municipal functions, such as acquisition and disposal of lands, grant of lands, collection of taxes for local purposes and remission of taxes levied by the imperial Government, the administration of justice, the control and administration of
temples, the administration of endowments and the conferment of honours on individual who had rendered meritorious services to the country.

It was also contented that local self-government was also more real and substantial in Ancient India than in British India that is, the control exercised by the Central Government over local affairs was less. Further, the number of functions performed by the local authorities was also greater. Practically, all governmental work within the municipal areas was in their hands. Defence, maintenance of law and order, the collection of all kinds of taxes, the punishment of criminals, the settlement of disputes, management of communal lands, the collection of revenue on behalf of the state, the maintenance of roads, the control of irrigation, endowments and trusts, banking, famine relief and such other works were entrusted to them. From the above argument it is evident that local government was not a universal feature in Ancient India.

The Foundations of Modern Local Government

The present form of democratic urban local government in India vows its origin, probably by an order of court of Directors in 1687, which directed the formation of a Corporation of Europeans and Indian members in the city of Madras. However, the Corporation did not survive. The Corporation came into being in September 1688, but the expectations of the Directors that local self-government would stimulate greater taxation were sadly disappointed. The inhabitants objected strongly to new taxes, and municipal institutions did
not prosper. In 1726, a Second Municipal Charter was issued, setting up municipal bodies for Calcutta and Bombay and reconstituting the Madras Municipality. Under the Charter of 1726, each presidency town would have a corporation consisting of a Mayor and nine Aldermen. The Mayor had to hold office for a year.

Under the Regulating Act of 1773, the Governor-General nominated the servants of the company and other British inhabitants to be the Justice of Peace. They were empowered to appoint scavengers for the cleaning and repairing of the streets of Calcutta, Madras and Bombay and making assessments for those purposes and for the grant of licenses for the sale of spirituous liquors. The main reason for such a provision lay in the insanitary state of affairs in the above presidency towns. It is common during that period that the public drains were regarded as the natural receptacles for all refuse and filth. Carcasses were left to rot and putrefy in the streets. In one case jackals preyed for two nights on a human corpse thrown near the gate of a building. Thus, conservancy and sanitation became important functions of local authorities.

**Municipal Boards**

During the years 1817 and 1830 spasmodic attempts were made in Madras and Calcutta to undertake works paid out of the lottery funds and much was done with this money in laying out these towns. On completion, the roads and drains were handed over to the Justices of Peace for
maintenance out of their assessment. But even for maintenance work, the funds were found inadequate and the provincial government supplied the balance required. Various attempts were made through subsequent acts to grapple with the sanitation between 1840-1880. In 1881, the elective system was introduced in Madras and the rent payers elected 16 out of 32 members. But the president and two vice-presidents were salaried officers who were appointed by the government. Fresh taxes were levied for drainage and water supply.

By 1881 all the presidency towns had approximately a uniform system of government. All the corporations had a limited electorate, elaborate provisions for debt, full controls over finance and a strong executive centre. But attempts were made for the introduction of statutory municipal boards. The first small beginnings of municipal action in the province is to be found in the introduction of Act XXIV of 1850 which amended the provisions of Act X of 1842. It was no doubt introduced in one town in the Madras Presidency but its inhabitants not only refused to pay the tax but also persecuted the collector for trespass when he attempted to collect the tax by force. The authorities were convinced of the futility of direct taxation for local purposes. Accordingly, the Act was repealed by the Act XXVI of 1850.

It should always be remembered that when the British thought seriously after 1858 about the desirability of creating institutions of local self-government, they had no indigenous models to follow. As such they were
able to start with a clean slate and proceed on their own lines. However, State documents like Lord Mayo's Resolution of 1870, Lord Ripon's Resolution on Local Self-Government of 1882, Report of the Royal Commission on Decentralisation of 1909, Montague-Chelmsford Report on Local Self-Government of 1918, and the Government of India Resolution of 1918 contained the philosophy and justification behind the constitution and evolution of local self-governing institutions in India. Hence, it would be desirable to peep into these improvements which would help to understand the development of local government institutions in India during British period.

When municipal board was introduced in some towns there were disturbances and military had to be called for to maintain law and order. Further, all those persons who had been nominated as members of the Board resigned and joined the agitation for the abolition of the board. The Government, therefore, abandoned the idea of establishing the municipal board in that places.20

Town Improvements Act of 1850

Thus, municipal action proceeded in two ways. First, by the introduction of the Act of 1850 and secondly, by the establishment of voluntary associations in some places. The second attempt was successful but not the first.
The Government was convinced that as long as the introduction of the Act of 1850 depended upon the general consent of the people all attempts for the provision of municipal services would meet with failure. Therefore, the provincial Governments recommended in 1855, that the Act should be amended and its voluntary basis should be abrogated. The town Improvement Act, 1865 was enacted to incorporate a few measures to improve the urban administrative structure.

The circumstances in which the Town Improvements Act, 1865, was enacted are rather interesting. About the year 1858 the Inspector General of Police, Madras, while submitting to the Government of Madras, a scheme for the organisation of the police department, suggested the imposition of a tax for the maintenance of the police in towns. This proposal was again placed before the Government in 1863 and in 1864. He submitted a bill for necessary action. In the meanwhile, the Madras Government received from India suggesting not only the transfer of a portion of the cost of the police to the municipal funds, but also the raising of fund for purely municipal purposes. It was further pointed out that the inhabitants of towns, as compared to rural population, did not contribute their quota to the general revenue although more expenditure had to be incurred on police in towns because of the congregation of people in large numbers and the consequent facilities for crime.
The Town Improvement Bill, 1864, contemplated compulsory taxation to defray the cost of police administration, while taxation for other services would be voluntary. The Select Committee on the Bill, however, decided that taxation should be compulsory for all municipal services. Provision was therefore, made in the Act for compulsory taxation not only for police but also for other services. The Act also contemplated the payment of a grant of 25 percent of municipal expenditure to the municipal boards. The intention in making the grant was to indicate to the municipal councils that the government was not shifting the entire expenditure on police to the municipal councils.

The Act also authorised the municipal councils to raise funds for other purposes such as lighting, prevention of fire, and water supply. Thus, the act of 1865 retained in a modified form the optional provisions of the Act of 1850.

But the municipal councils under the act of 1865 lost much of their autonomy. Firstly, they were bound to raise their funds fixed by the government for police purposes, if they fail to do so, the magistrate who was the ex-officio President of the Municipal board was authorised to set it unilaterally.22

The Resolution of 1864

In the meanwhile, the Government of India issued its resolution on the administration of police and incidentally on municipal government. The main
principles laid down by the resolution were that the cost of police, maintained expressly for the service of any city or town, should, as far as practicable, be defrayed by its inhabitants, that the inhabitants should raise funds required for this and other municipal purposes that this transfer of charge of the municipal police from imperial to local funds should take place as soon as possible.

The Government of India argued that the moneyed and the trading classes that resided and carried on business in the towns did not pay their fair share of taxation. At the same time, when a number of persons congregated in a small place, and there by increased facilities for and incentive to crime, the expenditure on police was greater in the towns than in the rural areas. Further, the Income Tax Act would expire on July 31, 1865. The decrease there by caused in the annual revenues, the increase in the expenditure on the administration as a consequence of increase in prices rendered it absolutely necessary either to review the income tax, or to impose new taxes or to transfer to the local authorities a portion of the charge which was included in the imperial budget.

Municipal Administration

There was practically no attempt made at municipal legislation before 1842. However in 1850 an Act was passed which applied to the whole of British India. Which was of permissive nature. It was under this Act and subsequent provincial Acts, a large number of municipalities were set up in all
the provinces. In most provinces, the commissioners were nominated and from the point of self-government, this Act did not go far enough.

Mayo Resolution

However, the real progress was made in the direction of self-governments in 1870. Lord Mayo's government in its resolution of 1870 dealing with decentralisation of finance referred to the necessity of further steps to bring local interests and supervision to bear on the management of funds devoted to education, sanitation, public works etc., New Municipal Acts were passed in the various provinces between 1871 and 1874. These Acts extended the elective principle. The results of the policy of 1870 were described in the resolution of the local self-government, 1882, thus considered progress had been made since 1870. A large income from local rates and surcharges had been secured, and in some provinces the management of the income had been freely entrusted to local bodies. Municipalities had also increased in number and usefulness. But there was still a greater of progress in different parts of the country than varying local circumstances seemed to warrant. In many places services admirably adopted for local government were reserved in the hands of the central administration. While every-where-heavy charges were levied on municipalities in connection with the police, over which they had necessarily no executive control.
Ripon's Resolution of 1881

Lord Ripon is rightly regarded as the father of local self Government in India. His resolution on local self-government is a great landmark in the growth of local self-government in the country. After pointing out the beneficial effects on local finance of the Resolution of 1870, the Resolution of 1881 stated that the Governor-General of India thought that time had come when further steps should be taken to develop, the idea of Lord Mayo's Government. It was asserted that agreements with the provincial governments regarding finance should not ignore the question of local self-government. The provincial governments were directed to transfer considerable revenues to the local bodies. The latter were also in the in-charge of those matters, which were chiefly concerned with the areas. The local governments were also directed to hand over to the local Boards complete control over the local rates and cesses, licenses, tax-assessments and collections, pounds and ferry-receipts etc. The local Boards were to be granted lump sum grants from the provincial revenues.

According to Prof. M. Venkatrangaiya, Ripon's resolution "is a classic among the pronouncements made on the subjects by the higher authorities and forms the basis of all subsequent developments in the history of Indian local institutions. It puts forward the case for the expansion of local self-governments in a most convincing manner and answers conclusively all the objections that might be raised in this connection. It points out clearly the
nature of the obstacles to be faced in the practical application of the principle, and suggested methods for overcoming them. Resolutions issued later on by the government of India, and pronouncements made by the authorities in English on subsequent occasions might have been lengthy, but they have not added in anyway to the arguments contained in this Resolution or affected their weight and strength. The Resolution is valuable above all as it gave a concrete and practical fore to hopes and aspirations, which until then were vague. It gave a definite lead and laid down a clear-cut path for all provincial governments really interested in the advance of local self-government.

Similarly, D.E. Wacha, also observes that the Ripon Resolution "has for ever made immemorable in the annals of India and viceroyalty of the good liberal-minded Lord Ripon that state paper conferred on the people the genuine boon of local self governments which they have since cherished with feelings, of the warmest gratitude. It necessarily contemplated many of important fiscal and administrative changes in all parts of the Empire, and definitely laid down the broad principles upon which the decentralisation of provincial finance for local government could proceed."

Whatever be the importance of Ripon's Resolution, it cannot be denied that both the provincial government and the government of India did not carry out the policy laid down in the resolution. The result was that even after the lapse of 36 years when another Resolution was passed in 1918 no substantial progress had been made in the field of local self-government. Men
like Lord Curzon were the enemies of local self-government. The British bureaucracy in India was determined to see that the local bodies did not succeed in this work. Thus it was that all the wishes and good will of Lord Ripon could not and did not improve the state of affairs in this country.

**Decentralisation Commission Report, 1909**

The Royal Commission on decentralisation examined the whole question of local self-government in India and made important recommendations. Particular reference was made to the lack of financial resources and their adverse effect on the working of local bodies. It was felt that the resources of district boards and district municipalities are not sufficient to work up to the modern standard of the local administration. In municipalities that in most consciously the case in respects of health scheme, water supply and drainage, the advantages of which, especially of former, are now generally realised. Similarly, in some rural areas in Bengal the old sources of water supply have fallen into disrespect and the district boards are approached with demands for beyond their financial resources. In other parts of the same province the silting up of old channels and changes of levels are relieved to cause malarial fever, and large schemes of drainage are advocated which the local bodies are unable to carryout.

The commission put emphasis on the importance of village panchayats and recommended the adoption of special measures for their revival and growth. A recommendation was made that village panchayats should be
given powers like summary jurisdiction in petty civil and criminal cases, incurring of expenditure on village scavenging and minor village works, construction, maintenance and management of village schools, management of small fuel and fodder reserves etc. It was also recommended that village panchayats should be given adequate sources of income and interference by district officers should be circumscribed. The commission also recommended the establishment of a Sub-District Board in every taluk. The Sub-District Board was not to be completely under the control of a District Board for the whole district. Separate duties and separate sources of income were to be given to Sub-District Boards and District Boards.

As regards the municipalities, the commission recommended the withdrawal of existing restrictions on their powers of taxation. The municipalities were taken over primary education and middle vernacular schools were also to be put under their control, if they so desired. Municipalities were to be relieved of expenditure on secondary education, hospitals, famine relief, police, and veterinary works etc.

The resolution of 1915 passed by the government of India contained official views on the recommendations of the Royal commission on Decentralisation. A reference was made in the resolution to "Smallness and inelasticity of taxation". However, no action was taken to give effect to the recommendations of the commission and the situation remained as it was before.
The Government of India Act, 1919 introduced the dyarchical system of government. Local Self-Government department being a transferred subject came under the charge of a popular minister responsible to the provincial legislature. The Act laid down a schedule of taxes, which could be levied only by for the local bodies. This enlarged not merely the effective sphere of taxation but also enabled the local bodies to feel relatively independent. There was an increased activity on the part of the provincial legislature in the domain of local self government - Municipal Acts in various provinces were amended which further increased the powers and independence of the municipal councils, lowered the franchise, reduced the nominated element and encouraged the election of non-official presidents and vice presidents.

These measures undoubtedly gave democratic touch to the municipal structure but the administrative process and efficiency deteriorated. Some municipalities were superseded on the charges of corruption and inefficiency. It was felt that the expert and guidance and assistance to the district administration were denied at a time when these were needed most. Government and their officials were left with disciplinary powers excercisable only when local bodies were in utter chaos. Where spurs and reins were needed the government was given the poleaxe.28
A study of the development of municipal institutions during this period shows that the democratic principles enunciated in the Montague-Chelmsford Report and recommended in the Government of India Resolution were duly implemented and there by the municipal government had come to be constituted on democratic lines. But simultaneously with a measure of democratisation, there had occurred a decline in efficiency in administration of local affairs. The working of Municipal bodies during the period of dyarchy present neither a picture of unbelieved failure or of unqualified success.

**Provincial Autonomy and Local Government**

The inauguration of Provincial Autonomy under the Government of India Act 1935 gave further impetus to the development of local government in India. The Act abolished the system of dyarchy and introduced popular governments in the provinces. Local government was classified as a provincial subject. But no taxes were earmarked for local bodies under the act.

Almost all provinces enacted legislation, which aimed at further democratisation of local bodies and improvement of administrative machinery. Municipal institutions were proposed to be revitalised with the installation of popular ministries in the provinces but no headway could be made due to the outbreak of Second World War in 1939.

As a matter of fact, it was no time to concentrate on the local government institutions. The municipal bodies instead of providing functions relating to civic amenities had to practice black-outs, raising voluntary
organisations for defence, increasing first aid etc. under the guidance and
direct supervision of the district administration. It gave a definite set back to
the development of municipal government. Thus no significant efforts were
made to bring about reforms in municipal government during the period of
provincial autonomy²⁹.

Local Government after Independence

It may be observed that the evolution of local governments,
particularly, urban local governments in the post - independence period has
been characterised by inertia on the part of Central and State Governments.
As is evidenced by the sporadic and piece meal efforts made by them in
realising and recognising the significance of city governments and taking half -
hearted measures in improving their organisation and functioning. It was only
during 1980's that the central government took momentous decisions in
setting up the Ministry of Urban Development, appointment of National
Commission on Urbanization and introducing Nagar Palika Bill in1989 and
1991 to rejuvenate urban self government institutions in the country³⁰.

Now all the states/union territories have village panchayats and urban
forms of local government have been constitutionalised through 73rd and 74th
constitutional Amendments in 1992. Thus it has become imperative to have
local government institutions in all the States and Union Territories of India.

The 74th Amendment led to the constitutionalisation of municipal
bodies and provided a continuous organisational skeleton, which can not be
dismantled and extinguished by the states as earlier. This has fundamentally changed the nature of state. The punitive powers of State Governments which included removal of elected members, rescinding municipal resolutions, issuing directions, approving budgets, deciding on expenditures and contracts, emergency and default powers of dissolution etc. have been scrapped or limited.  

Formation of Municipalities

The power to constitute any town, village, hamlet, bazaar any local area (or) any group of the same into a municipality under section 4 of the Tamil Nadu District Municipalities Act 1920, after giving six weeks notice calling for objection vests with the government. There were 99 municipalities and 8 town ships functioning under the Tamil Nadu district municipalities Act. Out of these municipalities only 40 were constituted before 1920 under the Act of 1864 as subsequently amended by the district municipalities Act of 1884.  

The Madras State now known as Tamil Nadu, has undergone territorial adjustments with the formation of the states of Mysore and Kerala in the year 1956 under the reorganisation of states. Kodaikanal and Avadi have the township committees, which were formerly municipalities but were subsequently converted, into townships. Kuruchi Town Panchayat in Coimbatore district was constituted into municipality, but subsequently converted to its original position of town panchayat. Singanallur municipality
has of-late lost its individuality and Singanallur has been merged with Coimbatore municipality. Barring these four exceptions, no municipality was dissolved or otherwise, converted into a town panchayat. But, Madurai, and Coimbatore, the premier municipalities in Tamil Nadu have been elevated to Municipal Corporations. The municipalities have been classified into grades according to their income or income and population. Hence, it would be much useful to have a glance of classification of municipalities in Tamil Nadu.

STRUCTURE OF LOCAL BODIES IN TAMIL NADU

Local Bodies

\[ \text{Rural} \quad \downarrow \quad \text{Urban} \]

\[ \text{Town Panchayat} \quad \downarrow \quad \text{Village Panchayat} \]

\[ \begin{align*} & \text{Grade I} \\
& \text{Grade II} \\
& \text{Grade III} \end{align*} \]

\[ \begin{align*} & \text{Special Grade} \\
& \text{Selection Grade I} \\
& \text{Grade II} \\
& \text{Grade III} \end{align*} \]
Classification of Municipalities

i. Prior to 1963

Prior to 1963 the classification was as follows:

<table>
<thead>
<tr>
<th>Ordinary Average Annual Income</th>
<th>Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exceeding Rs.500,000</td>
<td>I</td>
</tr>
<tr>
<td>Exceeding Rs.300,000</td>
<td>II</td>
</tr>
<tr>
<td>Exceeding Rs.300,000</td>
<td>III</td>
</tr>
</tbody>
</table>

The municipalities were classified not only on the basis of income, but also on the basis of population.

ii. The classification as detailed below was in vogue from the year 1963 to 1970

<table>
<thead>
<tr>
<th>Total Population</th>
<th>Annual Income in Rs.</th>
<th>Per Capita Income Exceeding</th>
<th>Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>Above 2.5 Lakhs</td>
<td>Above 75 lakhs</td>
<td>Rs.30</td>
<td>Special Grade</td>
</tr>
<tr>
<td>Between 1 and 2.5 lakh</td>
<td>Above 20 lakhs</td>
<td>Rs.20</td>
<td>Selection Grade</td>
</tr>
<tr>
<td>Between 50,000 &amp; 1 lakh</td>
<td>Above 7,50,000</td>
<td>Rs.15</td>
<td>I Grade</td>
</tr>
<tr>
<td>Between 35,000 &amp; 50,000</td>
<td>Above 3,50,000</td>
<td>Rs. 10</td>
<td>II Grade</td>
</tr>
<tr>
<td>Less than 35,000</td>
<td>Upto 3,50,000</td>
<td>-</td>
<td>III Grade</td>
</tr>
</tbody>
</table>
iii. Classification of Municipalities Since 1970

<table>
<thead>
<tr>
<th>Total Income under all accounts ordinary within</th>
<th>Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs. 75 Lakhs</td>
<td>Special Grade</td>
</tr>
<tr>
<td>Rs. 50 Lakhs</td>
<td>Selection Grade</td>
</tr>
<tr>
<td>Rs. 15 Lakhs</td>
<td>I Grade</td>
</tr>
<tr>
<td>Rs. 7 Lakhs</td>
<td>II Grade</td>
</tr>
<tr>
<td>Rs. 3 Lakhs</td>
<td>III Grade</td>
</tr>
</tbody>
</table>

iv. Inspector of Municipalities

The inspector of municipalities is the inspecting and superintending officer of all the municipalities, in particular, special and selection grade municipalities. He is also the adviser to the government of Tamil Nadu to fix the cadre strength of the staff in each municipality and sectioning authority of the post in the general administration of municipalities. He is also recommending officer to the head of department like the director of health services to sanction the posts of technical services.

He is empowered to conduct the municipal elections. He also looks after the constitutional personnel affairs of the municipalities. He is also in charge of receiving the administrative reports of municipalities. He exercises only over all control over the financial affairs of the
municipalities. The power of scrutiny and modification of municipal budgets still vests with the governments as per section 120 of the Tamil Nadu District Municipalities Act.

v. Regional Directors

In the year 1974 two posts of Regional directors of municipal administration have been created temporarily with a view to streamlining the municipal administration and to effecting guidance, co-ordination and supervision over municipal councils. The regional directors were also made the inspecting and superintending authorities of the municipal councils in their jurisdiction (excluding municipal councils in selection grade municipalities).

vi. The table showing the particulars of the gradewise number of municipalities and townships committees.

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Grade of the Municipality and Township Community</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Special Grade</td>
<td>4</td>
</tr>
<tr>
<td>2.</td>
<td>Selection Grade</td>
<td>12</td>
</tr>
<tr>
<td>3.</td>
<td>First Grade</td>
<td>32</td>
</tr>
<tr>
<td>4.</td>
<td>Second Grade</td>
<td>35</td>
</tr>
<tr>
<td>5.</td>
<td>Third Grade</td>
<td>23</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>106</td>
</tr>
</tbody>
</table>
Powers, Functions and Duties of the Municipal Council and
Chairman

The municipal chairman convene the meetings of the council and performs all the duties, and exercise all the powers specially imposed or conferred on him under the Tamil Nadu district municipalities Act, 1920. He has full access to all municipal records and office correspondence. Any correspondence between executive authority, and the government should be sent through him and he is bound to transmit such correspondence. The chairman is a member of every committee of the council and he can delegate his functions to the vice-chairman in his absence.

The council is vested with the power of municipal administrations assigned to the chairman (or) the council should not exercise the executive authority.

Councillor may call the attention of the executive authority, to any neglect in the execution of municipal work (or) to any waste of any municipal property or to the needs of any locality and he may suggest any improvement, which may be desirable. He has the right to move resolutions and interpret the chairman on matters concerned with municipal administration. After giving sufficient notice, he can have access to the municipal records wherever necessary. The municipal council may require the executive authority to produce any document in his custody. It may constitute committees for exercising such of its assigned powers as it may delegate to
them. It may also appoint individual councillors for enquiry into any matter and report (or) advice the municipal councils have to provide basic civic services to the population in the entire municipal areas. These functions have been generally classified into obligatory and discretionary functions.36

Functions of the Municipalities

The main obligatory functions of the municipality are:

1. Maintenance of public roads, street, lanes, culverts and causeways.
2. Education other than secondary
3. Reading room
4. Parks and gardens
5. Playgrounds, recreation centres and public halls.
6. Exhibition and fairs
7. Cleaning of streets, drains and scavenging
8. Hospitals and dispensaries
9. Epidemics and endemic
10. Births and deaths
11. Maintenance of revenue
12. Street lighting
13. Elementary education
14. Water supply, public and service connections

15. Drainage

16. Town Planning and

17. Relief during famine or scarcity.

The discretionary functions of the municipality are:

1. Secondary education, Libraries and Museums, Poor House, Orphanages housing and provision of Veterinary Hospitals.

By and large the municipal councils are bound to provide all civic needs of people in the urban area. Prior to 1933 the chairman was exercising the functions of the executive authority. The institution of municipal commissioner came into existence in 1933. The position was changed by an amendment to the Tamil Nadu District Municipalities Act in 1955 by which the commissioner of the municipality became the executive authority. The commissioner is appointed by the government and belongs to government service. The state government recovers the cost of the establishment of the commissioner from the municipality.

Functions and Powers of Government over Municipalities

According to the provisions of the Tamil Nadu District Municipalities Act 1920, the powers of the state government over the municipalities extended to the following:
1. Creation and demarcation of jurisdiction of the municipality

2. Determination of the strength of the councils

3. Conduct of elections

4. Modification of the annual budgets in order to ensure proper pervasion in compliance with the law

5. Arrangement for audit of accounts

6. Supersession (or) dissolution of the councils

7. Cancellation (or) modification of the resolutions

8. Appointment of chief executive authorities and other officers

9. Formulation of financial assistance and laying down guidelines and principles for same, and

10. Appointments of officers for inspection, supervision and control of the municipal accounts.

The above provisions enable the state government to exercise control over the activities of the municipalities. There is no doubt that the state government have a major share of responsibility in guiding and controlling the exercise of the various functions by the municipalities to comply with the provisions of the law.

Such control may have to be exercised both as a general measure and in individual cases to ensure that municipal councils maintain high standards of performance, efficiency and integrity in public services$^{39}$. 
Moreover, in recent time there is a greater awareness of the role of the municipalities in planning and developing the civic services so as to keep in pace with the requirements of a growing urban population. Such development activities involve finance and most of the finance has to come from the resources of the state government, in the absence of suitable and efficient institutional financing machinery for these local bodies.

The responsibility and the role of the state government indeed in so far as the state has to ensure the proper utilisation of its financial assistance by the local bodies for the best. Performance thus, while in a large measure the municipalities in Tamil Nadu function as autonomous and self-controlling units, the state has to come to assume a progressively increasing role in guiding, supervising and controlling their activities to achieve common goals. Further, it must be interesting to describe the democratic role of municipalities in Tamil Nadu.

Municipal Election in Tamil Nadu, 1996

The Election to local bodies under the Tamil Nadu Urban Local Bodies Act, 1996 was held during October 1996. People directly elected the Municipal councillors, Chairman, and Vice-chairman. It was contested on party basis. Almost there were multi-corner contests. It was reported that a maximum of 15 candidates contested in a ward of Nellikuppam Municipality.

Out of the total number of 3,389 wards in 102 Municipalities, the DMK party won a maximum of 1,117 wards (32.9%) followed by
independent candidates who won the next higher number of wards viz., 922 wards (27.2%). The TMC, which won in 536 wards (15.8%), secured the third positions. The AIADMK and MDMK were in the fourth and fifth positions.

Among the total number of 3,389 wards 220 wards were reserved for SC (General) 156 wards for SC (women) and 978 wards women (General). The remaining wards are not reserved for any particular community or sex. The average percentage of voting was 65.75 in all the 102 Municipalities.

Thus, in this chapter attempt was made to understand the historical development of local government institutions, particularly, municipalities in Tamil Nadu. It is found that till 74th amendment, the municipalities were under the mercy of State government for their existence. The subsequent chapter deals with the organization and administration of Thirvottiyur municipality.
END NOTES


37. Ibid., p.44.


39. Ibid., p.16.