

# Municipal Government in India

(With Special Reference to Assam)

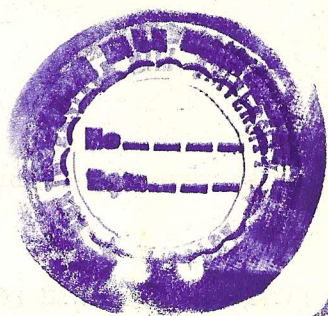


Usharaneé Choudhury

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# Municipal Government in India

(With Special Reference to Assam)



*By*

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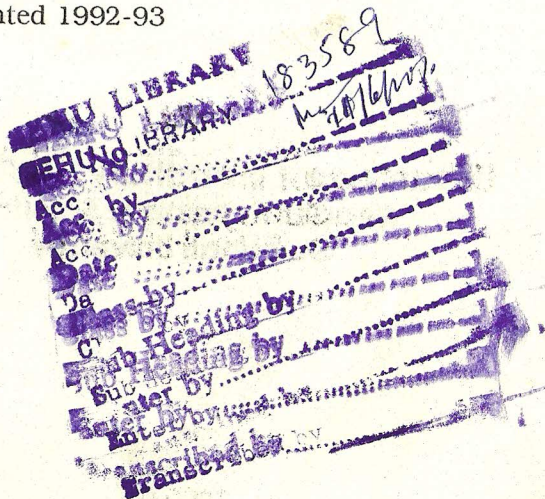
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*Dedicated to*

*My Dear Husband Dr. Debi Charan Choudhury and  
my children - Manima, Deep, Dil and Rinima*

*With warm affection.*

## Fore'word

Municipal Government is as old as *Rig Veda*. The capital city of the State and larger towns had separate organizations of their own for purposes of municipal government. In *Rig Veda* mention is made of *Purapati*. *Manu* described him as the Superintendent of all affairs, elevated in rank, formidable in position, resembling a planet, among stars. The Superintendent was the president of the municipal board concerned. The Government of the capital city according to Megasthenes was conducted by a municipal board of thirty members, divided into six committees. Each committee looked after a particular branch of municipal administration. But all these institutions disappeared before the advent of the British.

The beginnings of the modern system of municipal government was due to the initiative taken by Sir Josia Child, who obtained a Charter from James II to set up a Municipal Corporation in Madras in 1642. Since then municipal government gradually developed in the country. The beginnings of municipal government are to be found in the establishment of voluntary associations for the improvement of sanitary condition in several places in the country. These voluntary associations were established by local officers and they were financed by the Provincial Government. Since 1842, statutory bodies were established replacing the voluntary associations. Actually it was the Town Improvements Act 1850 that was implemented in some places. Dr. Usharani Choudhury traces the gradual development of municipal government in Assam in great detail.

The history of modern municipal government in India under the British may be divided into five distinct periods. The first ends with the issue of the Famous Resolution of Lord Ripon in 1882. The second ends with the introduction of Dyarchy in the Provinces in 1919. The third ends with the introduction of Provincial Autonomy in 1937. The fourth period ends with the framing of the Constitution of India in 1947.

The final period commenced in 1952 when the Indian Constitution was brought into force. In this period momentous changes had taken place. More emphasis is laid on rural development. The Legislator, the politician and the bureaucrat are singing the melodious song "Democratic Decentralization." As a consequence municipal government is almost neglected by all. Dr. Usharani Choudhury deals with all these periods comprehensively and competently.

Dr. Choudhury has done a commendable job in the preparation of this work. She collected her bricks from many a mason's yard but she has used them to construct the building which is very much according to her own design. The collection of material is exhaustive, analysis of the material collected is logical and systematic and exposition is lucid and coherent. The distinctive feature of the work is that it is based on original sources.

Local Self-Government is one of the subjects taught in several universities and the present publication is suitable as a text book for the degree and post graduate classes.

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*(V. Venkata Rao)*

## PREFACE

Municipal Administration is the creation of the British. Prior to 1836, Municipal government was completely unknown to the people of India. Even to-day the growth of urban life is relatively slow in India.

The post-independent period gives special attention to the development of rural administration which is needed to uplift the rural population of our country; but it is observed that the Government of India is ignoring the minimum attention to urban administration which is a clear sign of negligence to civilization. In this democratic era, a study of municipal government is very important to safeguard our democracy which is mainly based on civilization.

After I obtained the Master's degree in Political Science I wanted to do research work in the field of Local Self-Government. My teacher suggested to me to take up Municipal Administration in Assam. I worked under his guidance and was awarded the degree of Doctor of Philosophy in 1973. I entered into the teaching job of the University in 1976. Since my inception as a teacher I am teaching Local Self-Government which is a subject taught in almost all Universities of India.

I revised the thesis thoroughly and brought it up to date under the supervision of my respected teacher, Dr. V. Venkata Rao, Professor Emeritus, Gauhati University. I am very much grateful to him for carefully revising, adding and subtracting the original thesis. This is the first published work in the subject. It is based entirely on original sources and on my teaching experience.

I hope this work would be helpful not only to the student community but also to the teachers and the administrators.

Any suggestion for the improvement of this work would be greatly appreciated.

I must express my gratitude also to my husband, Dr. D. C. Choudhury, Retd. Principal, Gauhati Medical College, without whose encouragement this work would not have been published.

In the end I must thank the Publisher 'Seven Stars Publications Pvt. Ltd.' for promptly publishing the work.

**Silpukhuri, Guwahati-3**  
31.1.89

*Usharance Choudhury*

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## ABBREVIATIONS

A.M.R.	—	Annual Municipal Reports
B.M.A.	—	Bengal Municipal Act — 1876 and 1884. Town Improvement Acts — 1864, 1868.
A.M.A.	—	Assam Municipal Acts — 1923 and 1956
P.W.D.	—	Public Works Department
D.C.	—	Deputy Commissioner
S.P.	—	Superintendent of Police
R.D.C.	—	Royal Commission on Decentralization
P.G.M.B.	—	Proceedings Gauhati Municipal Board
B.L.C.P.	—	Proceeding of Bengal Legislative Council
B.A.R.	—	Bengal Administrative Reports
A.G.	—	Assam Gazette
A.L.C.P.	—	Proceedings of Assam Legislative Council
A.L.A.P.	—	Proceedings of Assam Legislative Assembly
M.E.R.	—	Municipal Election Rule
A.P.E.A.	—	Assam Primary Education Act
A.E.E.A.	—	Assam Elementary Education Act.
Boards	—	Include Municipal Corporation also.
Local Authorities	—	Municipal Boards and Corporation

## Chapter XI

### Conclusions

In the previous chapters we have traced the development of municipal Government in India with special reference to Assam. Urbanization began in Assam in 1836 with the establishment of the Town Improvement Committee in Gauhati. But the progress of urbanization has been very slow. The total population living in the urban areas is not even 12 per cent of the grand total. In some districts the progress has been practically nothing. Nowgong and Darrang are the notable examples. The slow progress of urbanization was responsible for the absence of complicated problems of urban life.

The municipal institutions established in India in 1836 were one hundred per cent local in character in the sense, the initiative to establish them was taken by the local people, they were administered by the local representatives and financed by local taxation entirely. They were not imposed upon the people from above. There was no local legislation regulating their conduct till 1850. It was in 1850 that the Town Improvement Act was enacted which superseded the Town Improvements Act, 1842 which was not brought into force.

Another problem is the physical growth of the towns. There was no planning and therefore the construction of houses is not systematic. Take the case of the development of Gauhati-Ulubari. Since there was no planning the construction of houses in Ulubari was haphazard. Sufficient space has not been left for the construction of streets. We, therefore, suggest that there should be a town plan for every urban area and the construction should be in accordance with the town plan. For the effective execution of the plan, there should be an engineer to supervise the construction of houses.

Intimately connected with the physical development of the town is the clearance of slums. In a place like Gauhati and Dhubri slum clearance is a problem. Without the clearance of slums, there can be no improvement in the sanitary condition of the towns. We

therefore suggest that the municipal boards like Silchar, Dhubri and Gauhati Corporation should have a plan for the purpose.

The administration of these local institutions was fairly efficient. But for a long time there was no popular participation in the administration of these boards. The Chairmen were the District Officers, the Deputy Commissioner and the members were ex-officio and nominated. Therefore, during the period 1850 to 1900 the boards were completely dominated by the officers of the Provincial Government. It was in 1884 that the principle of election was introduced but the principle of nomination was retained to secure the representation of minorities. The principle of nomination is still retained although there is no necessity for this. The Minister for Municipal Government, exercises this power. Before the introduction of Dyarchy, this power was exercised by the Member of the Executive council. Since he was not a politician, but an official he selected the best men available for the service of the municipal boards. Some eminent men were nominated as members of the boards. When this power was transferred to a minister with the introduction of constitutional reforms of 1919 the nominations made by the Government were not happy. When Saadulla was the Chief Minister he nominated as many as 59 members of the Assam Legislative Assembly to the various local authorities. This was a reward to these persons for the political support they gave to Saadulla in the Legislature. Sometime, persons who were defeated at the polls, persons who did not belong to any minority community were nominated. Some of those nominated became Chairmen of the municipal boards. We think that the principle of nomination should be abolished because all representative institutions have elected members and the nominated element constitutes a political anachronism at present because it is synonymous with favouritism and corruption.

Even in 1973, the principle of adult franchise has not been introduced for municipal elections. While members of panchayats are elected by adult franchise, the citizens of municipal areas have no right to elect their representatives. Franchise is restricted to those who have paid a tax. The citizens of the municipal areas

have a right to elect members to the Lok Sabha and the Assam Legislative Assembly but not to the municipal boards. This is a second political anachronism which must be done away with.

For seven decades after the introduction of municipal Government in Assam, the Deputy Commissioner or the Sub-Divisional Officer was the ex-officio Chairman of all the municipal boards within his jurisdiction. As the Deputy Commissioner was already burdened with multifarious functions, he had no time to look after the administration of the boards. As a consequence, his administration was not positive. He entrusted this business to the Resident Extra-Assistant Commissioner who in turn depended upon the Superintendent of the municipal board who were generally incompetent and corrupt. Therefore the administration was not progressive. It was degressive. This state of affairs continued till 1913 for various reasons. The Deputy Commissioners themselves were anxious not to part with power. The local politicians were jealous of each other and, therefore, proposed the Deputy Commissioner to be the Chairman although most of the boards contained competent persons to carry on the administration of the boards, although municipal law permitted the members of the boards to elect their own Chairmen.

The office of the Chairmen after it was thrown open to election, was filled up by eminent men with few exceptions. Some of them became famous for their contribution for the promotion of human happiness. Sadananda Duwara in Dibrugarh, Man Mohan Lahiri in Tezpur, Manik Chandrà Barua in Gauhati, Anukul Chandra De in Dhubri, Krishna Kumar Barua and Keramat Ali in Jorhat, Arun Kumar Chanda in Silchar, P. Das in Golaghat, and Ganga Govind Phukan in Sibsagar are some of the notable examples of what a Chairman ought to be. But it must also be said that after Independence, good men are not seeking election to the office. As a consequence, there is deterioration in the administration of the boards because the Chairman is also the Chief Executive Officer.

The Chairmen were drawn from all communities and all walks of life. No community dominated this office in any place except in Dhubri

where Kayasthas dominated the board. In Jorhat there were more Brahman Chairmen but that did not in anyway affect the interests of the other communities. On the whole almost all the communities had a share in the administration of the boards. Again, qualified persons were elected as Chairmen. Men who have had some administrative experience as members were elected to the office. But two-thirds of the Chairmen held office for a single term. From this it is evident that there were more aspirants for the office and therefore 52 of the 74 Chairmen held just for one term. Only one was removed by the Government as the board had expressed its want of confidence in him. No one was removed by the Government for the misuse of powers vested in him.

It has been suggested that the term of office of the Chairman should be five and not four years. Four year term would not enable a Chairman to implement a programme of action. It is also suggested that no one should be eligible for re-election for a second term. The idea behind this suggestion is that the Chairmanship is a post of honour and therefore should be available for a greater number of persons. The Mayoralty of a Corporation is held for a year. Similarly, the Chairman should hold office for a single term of three years. We agree with this suggestion provided every municipal board employs a paid, professional, permanent executive to look after the administration of the board.

The municipal Act provided for the removal of the Chairman and the Vice-Chairman of the municipal board. But it does not go to the logical extent of saying that a Chairman removed by the Government shall not be eligible for re-election. When the Government removes a Chairman it should have been for valid reasons. The purpose of removing a Chairman from office is defeated if the board re-elects the person removed from Chairmanship. The Madras and Andhra District municipalities Act laid down that a Chairman removed from office shall not be eligible for re-election to either of the offices Chairmanship or Vice-Chairmanship until the next ordinary elections to the municipal board or until the expiry of a period of six months from the date of removal whichever is earlier. The Mysore Municipal Act goes a step further when it lays down that the person removed from the office of

Chairmanship is automatically removed from the membership of the board and therefore is not eligible for election to the Chairmanship or the Vice-Chairmanship immediately. We think that the provision made in the Mysore Act is of a sledge hammer type, and consider the punishment as too severe. We therefore suggest that the person removed from the office of Chairman or Vice-Chairman should not be eligible for re-election as Chairman or Vice-Chairman for a period of six months or until the next general elections to the board whichever is earlier.

We view with concern the continuance in office a person who has been defeated at the general election. The Act should provide that the Chairman shall be deemed to have vacated his office on the expiry of his term as a commissioner or otherwise ceased to be a commissioner. The same principle should apply in the case of Vice-Chairman. If a person at an election is continued he is likely to exercise his powers in such a manner as to perpetuate himself in power. Further, the continuance of such persons is an offence to the electorate which uprooted him at a general election.

We also noticed with some concern that some of the Chairmen of some municipal boards did not handover charge of his office to his successor and some of them had taken away the minutes books and other valuable records. We, therefore, suggest that the person who fails to handover charge should be punished with simple imprisonment for a term which may extent to one month and with a fine of Rs 500/-

As regards the membership of the boards, we do not have adequate information to arrive at any conclusion. A municipal board like the Gauhati consisted of men of experience and knowledge. Therefore the popular assumption that men of good intent and good judgment are not elected as members is not true to facts. At the same time it must be admitted that there has been some amount of decline in the quality of members. It is due to the fact that good men decline to be the members of the board.

We think that adequate attention was not paid to municipal administration. Since the publication of the Balwantrai Mehta Committee Report greater attention was bestowed to panchayat administration

than to municipal. But the problems of municipal administration have multiplied in recent times with the increase of population in the urban areas. We therefore, think that greater attention should be paid to municipal administration if it is not to break down.

We also think that legislation relating to municipal administration is not only inadequate but obsolete and therefore not able to meet the challenge of the times. We therefore, suggest that the existing municipal Act should be scrapped and new legislation should be brought into existence.

At present the preparation of the electoral roll is entrusted to the Chairman of the municipal board. This arrangement produced disastrous results. In some places the electoral roll is manipulated. Those whose names ought to have been included were excluded and those whose names ought to have been excluded have been included. In some places the name of the same person was included with several permutations and combinations in several places. In some places bogus names were included. Our attention was drawn to a particular constituency in a particular place which had a population of 3000 but the electoral roll of this constituency had only 300 voters. Most of those whose names were included in the list were the relatives and employees of the candidate that contested the election from that ward.

Apart from this fact some of the Chairman deliberately delayed the preparation of the voters list and as a consequence elections could not be held within the time limit mentioned in the Act. And the Government was compelled to extend the life of the board beyond the stipulated period of four years. Some of these continued for six years. This state of affairs is not only unsatisfactory but undemocratic. The commissioners of these boards did not reflect the currents of public opinion. It is, therefore, suggested that the electoral roll of the Assembly relating to the municipal boards should be adopted as the electoral roll for municipal elections. This has certain obvious advantages. First of all this will obviate the necessity for the preparation of a separate electoral roll for municipal elections at great expense. Second, election to the municipal boards can be held within three months before the expiry of the term of

office of sitting commissioners. In this connection the state should be divided into three zones and elections to the municipal boards in a particular zone should be held at a time.

As regards the formation of Constituencies, no uniform policy has been followed. In some places there are single member constituencies, in some place multi member constituencies. In one and the same place there are single member and multi member constituencies. We therefore suggest that for obvious reasons the constituencies must be single member constituencies so that the candidates may carry on the election campaign without difficulty and the electorate may have an intimate knowledge of the candidates.

The Municipal Acts except the Corporation Act do not provide for the reservation of seats for the scheduled castes and the scheduled tribes and women. But the Assam Panchayat Act has provided for the co-option of certain number of members belonging to the Scheduled tribes and the Scheduled Castes and women in case no member belonging to these communities was elected in the previous general elections. A similar provision has not been made in the Municipal Act. We suggest that a similar provision should be made in the Municipal Act also subject to the conditions laid down by the Panchyat Act. We are very much concerned with the absence of women in several boards. There are problems which women alone can understand. It therefore suggested that representation of women should be secured in all municipal boards.

The local Government to be effective must have a strong committee system. In other words there would be a number of standing committees. But the general tendency on the part of the local authorities is to transact all business in the council hall. As a consequence, several items on the agenda are not discussed or discussed in a perfunctory manner. We think, that it ought to be obligatory on the part of the municipal board to constitute a number of standing committees for all major subjects particularly in the bigger local municipal boards. Besides standing committees there ought to be a committee for the co-ordination of all the activities of the various committees. It is to be pointed out that though there is provision of

having five standing committees under Corporation Act 1969 to deal with particular subjects like finance, public works, public health, Assessment (market, trade) and Appeal, there is no proper utilization of these committees to increase the efficiency of the Corporation. Therefore, we like to suggest here to co-opt the person of expert knowledge as member of the standing committees.

As regards the membership of the committees we are definitely of opinion that the principle of co-option should be adopted subject to certain restrictions. First, only those who have specialized knowledge in the subject should be co-opted; Second, they should be co-opted by a resolution supported by not less than one half of the sanctioned strength of the board; Third, the number of members co-opted should not exceed one-third of the strength of the committee; Finally, the persons co-opted should not suffer from any of the disqualifications and disabilities prescribed for members. Some of the committees like the one on Maternity and Child Welfare and Elementary Education should contain at least one or two women.

It is also suggested that one member should not serve on more than two committees. All the members of the boards must involve themselves in the committee work. It is also suggested that the same member should not be re-elected to the same committee for more than one term. Some of the committees like the Appointments Committee, Appeals Committee, Revision and the P.W.D. Committee are very important and if one and the same member works on the same committee he is likely to do injustice to the ratepayers and practice nepotism.

Section 11 of the Assam Municipal Act fixes the minimum and the maximum number of commissioners of the municipal boards at 10 and 30 respectively. The Government determines the strength of the board from time to time. We do not know the principles or the factors that are taken into account in determining the strength of the board. A close study of the population and the total strength of some of the municipal boards reveals that there is no uniformity in the determination of the strength of the boards. We therefore, recommend that population should be the principal factor that ought to be taken into account in the determination of the strength of the board. The number

of commissioners may be determined according to population and for different slabs. The minimum population for a municipal board may be 10,000 and there may be one commissioner for every 1500 people and the maximum strength of a board may be 30. In case of Corporation it is decided to have one councillor for every population of 7,500 subject to the maximum of 60 members.

We also suggest that Town Committee and municipal boards which are uneconomical should be abolished. We also suggest that no town committees should be constituted unless it has a population of 5,000. The strength of the municipal boards may be as follows:

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Classification of Boards	Strength
More than 10,000 but less than 20,000	10
20,000 but less than 30,000	14
30,000 but less than 40,000	18
40,000 but less than 50,000	22
50,000 but less than 60,000	26
Exceeding One Lakh	30

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The term of office of the members of the municipal boards at present is four years and in case of Corporation it is five years. It is suggested that it may be five years to all type of local bodies as in the case of the Members of Parliament and Assembly. We think that five years is too long a period. In the municipal boards the problems are not complex as in the case of Parliament. Three year term is sufficient to enable the members to have enough time to plan and execute the schemes for the development of the area. We suggest that three year term should be uniform for all local bodies and not merely for the municipal boards.

The municipal Act provides for the extension of the term of office by one year at a time for a total period of two years. No such extension has been provided in regard to panchayats. There is no provision for extension of the term of office for the Assembly or Parliament.

In the case of municipal boards also there should be no extension of their term.

The list of qualifications of the members of the municipal boards is not comprehensive. In order to keep out the undesirable persons and at the same time maintain the independence of the members we suggest that all persons should be excluded from the membership of the board if he is not a voter; if he has been convicted of an offence involving moral turpitude or ordered to give security for good behaviour under section 110 of the Criminal Procedure Code, unless a period of four years had elapsed on the date fixed for holding elections from the date of his release in case of a sentence of imprisonment and in case of a sentence other than imprisonment from the date of conviction or if he has been dismissed from Government service for commission of acts involving moral turpitude unless a period of five years had elapsed on the date fixed for holding election from the date of his dismissal or a person who has been declared as an uncertified bankrupt or undischarged insolvency or has been proclaimed a tout under the Legal Practitioners Acts or has been during the four years immediately preceding the date of his election convicted of an offence punishable under Section 135 or Clause (a) or Sub-section of the People's Representation Act, legal practitioners who have been dismissed or suspended by a competent court or persons who absent themselves from three consecutive meetings, if he is servant or an employee or official subordinate or superior to any other commissioner or holds any contract under the board.

Let us now consider whether the municipal boards should be entrusted with additional functions such as elementary education, maintenance of hospitals and dispensaries. We consider that the boards have not been able to administer functions already entrusted to them and therefore it is not desirable to entrust them with some more functions. Any municipal board may take over any of these functions mentioned above with the previous permission of the Government. As a matter of fact the municipal boards are not anxious to take over additional functions.

It has been observed that in many places more than eighty per cent of the revenues collected is spent on

the establishment. As a consequence the rate payers are not provided ever with minimum needs. In some cases, the scales of pay are more liberal than those of the State Government employees while in other cases they are comparatively low. It is, therefore, suggested that due to all these anomalies and the growing expenditure on the establishment Government should assume power to fix or alter the number of, the designation, grades, salaries, fees and allowances of the municipal employees of the local authorities and it should not be open to the municipal board to make any variation. Will not this power convert the municipal bodies into a department of the Government, interfering with their day to day administration and affecting their freedoms ? It will not. There will not be day to day interference in the administration of the boards. On the other hand the boards are relieved from the constant pressure on them by the employee. This has been done in the undivided Madras State.

Local services should be maintained by local taxes. Government grants should not be given for purposes such ad-hoc dearness allowance or compensatory allowance or salaries and fees for the normal establishment of the local authorities.

Let us consider the superannuation scheme. Should the superannuated persons be paid pension? Whatever may be the advantages of pension it is not practicable so far as municipal boards are concerned for obvious reasons. It involves arduous accounting for the maintenance of service records and disbursements of pension. Again, the municipal boards may not be certain of their financial position in future and may not be able to undertake any permanent commitment on the basis of the present financial position. Therefore we consider that the present system of contributory provident fund is the best scheme under the present circumstances.

The opportunities for conflict between the members and the employees of the municipal boards are frequent. As their continuance in service depends on politicians, several municipal servants have become part-time politicians. In order to enable the municipal servants to discharge their functions fearlessly they should be under the administrative control of the Chief Executive Officer who should have full power to

disciplinary control over the staff. The municipal servants may be given the right of appeal against the orders of dismissal or removal to the Director of local administration.

The king pin of local administration is the Chief Executive Officer. The efficiency of municipal administration depends on him. It is essential that the Chief Executive Officer should be non-political, permanent and professional, recruited and appointed by Government. Other departmental heads must work under his control. The appointment of an Executive Officer does not imply that the political executive will cease to exist. The Chairman will continue to exist. But their will be division of functions between them. The Chairman will concern himself with deliberative and policy making functions and the Executive Officer will concern himself with the executive functions.

A separate cadre of Chief Executive Officers may be created under the administrative control of the Director of Municipal Administration. The Executive Officers shall be selected by the Public Service Commission and appointed after giving necessary training in an All India Institute for the purpose.

The Executive Officers should be classified into three, each having a scale of pay of its own. The municipal boards shall also be classified into three on the basis of revenue and population.

The Government and its agencies have been endowed with enough power of control. But in practice there is no real control over the municipal boards and town committees. The Commissioner and the Deputy Commissioner could not provide adequate supervision of these bodies. The Municipal boards and town committees were therefore left to themselves to a great extent and the orders of Government were not implemented in many cases. Therefore, a Director of Municipal Administration has been appointed. But he has not been given enough powers to deal with municipal boards.

The municipal boards derive their income mainly from taxes and secondarily from fees. At present the holdings held by one owner whose aggregate annual value does not exceed six rupees is exempted from tax. We consider that every holding should be subject to some taxation because he receives some benefit rather greater

benefit from municipal services. This is one of the ways by which the residents may be made interested in municipal administration.

The existing machinery for the assessment of house tax is not satisfactory. The Chairman and the Commissioners are not the persons that should be entrusted with this function. Allegations have been made that the assessments were not fair and equitable. Efficient financial administration contemplates that it must be divorced from politics and should be administered by persons who have expert knowledge in this work. We therefore suggest that the general principles to be observed in the assessment of property should be framed by the Director of Municipal Administration of the Government and communicated to the municipal boards. The Chief Executive Officer should be entrusted with this function. Appeals against the assessment of house tax should be submitted to the Taxation Appeals Committee. Further, the Government should appoint a board of assessors for the whole state for the quinquennial revision. If this suggestion is not acceptable some special officer who is conversant with real property taxation should be appointed for the revision of taxes.

The collection of taxes has been generally entrusted to the Vice-Chairman. For obvious reasons he was not able to enforce the penal provisions of the Act for the collection of taxes. As a consequence the collection of taxes has been very poor. We therefore suggest that the Executive Officer should be held responsible for the collection of all taxes and should be punished if he fails to collect certain percentage of the demand - say 98 per cent of the demand.

Some of the causes for poor collection were administrative. There was no incentive for prompt payment. Demand notices were not issued in time. The demand notices were issued very late.

We therefore suggest that the demand notices may be not quarterly but half-yearly. If payment is not made within fifteen days from the date on which notice is issued penal provisions must be made use of. If it is paid within the period a rebate may be given. It is also suggested that a local bank may be entrusted with the collection of taxes and a certain percentage of the collection may be paid as commission. But we think that

this will not improve the collection of revenue. Our experience shows that if the collection is entrusted to a paid executive it will certainly improve.

In order to improve the finances of the municipal boards it has been suggested that the municipal boards should be authorised to levy and collect a tax in respect of professions, trades, callings, or employment in the municipal areas. This is an elastic source of revenue and has been levied in some places. The municipal boards may be authorised to levy this tax.

It is also suggested that octroi is also another source of income but it opens the flood gates of corruption and we do not recommend the levy of this tax. Further it falls mainly on the necessities of life and affects the smooth flow of trade and commerce.

The Union Government property at present enjoys immunity from local taxation. This may continue. But the Union Government may be requested to make suitable contribution to the local bodies in which their property is situated in lieu of taxes as is the practice followed by the Government of the United Kingdom.

In regard to commercial enterprises of the Union Government they should pay to the Municipal Boards full tax instead of making any contribution in lieu of the taxes.

Another suggestion is that the local authorities may purchase and sell electricity in bulk from the State Electricity Board and sell it to its consumers at a higher price and thereby make profit. But we are certain that the municipal board will not be able to manage this affair efficiently. We therefore do not recommend this.

It was also suggested that a portion of the Motor Vehicles Tax and land revenue levied and collected by the State Government may be assigned to the municipal boards. Instead of this we suggest that there should be a proper assessment of the resources by taxation of the municipal boards. Then there should be an assessment of the needs of the municipal board and its cost. The difference between the total income and the total expenditure should be paid by the Government. We suggest that there should be a finance commission to determine the grant-in-aid that should be given to the municipal boards. The financial relations between the

board and the Government should be reviewed from time to time.

Although all these reforms may improve the tenor and timber of municipal administration ultimately the efficiency or inefficiency of municipal administration depends on the men and women that are called upon to shoulder the responsibility. So the No Stream rises higher than the source. No administration can be more efficient than the men and women who are entrusted with the management of municipal affairs. There is a Sanskrit saying, 'Yatha Raja Tatha Praja'. As the king so the people. So the urgent need is to improve the quality of politicians.

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