CHAPTER - I INTRODUCTION

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1.1 Seventy-fourth Constitutional Amendment

The Constitution (Seventy-fourth) Amendment Act, 1992 (CAA) which came into effect from 1 June 1993, introduced Part IXA (the Municipalities). The Act provided constitutional status to Urban Local Bodies (ULBs). Article 243W of the CAA authorised the State Legislature to enact laws to endow local bodies with powers and authority as may be necessary to enable them to function as institutions of self-government and make provisions for devolution of powers and responsibilities.

The Twelfth Schedule of the Constitution enumerated 18 specific functions to be devolved to ULBs as given below:

- 1. Urban Planning including town planning;
- 2. Regulation of land use and construction of buildings;
- 3. Planning for economic and social development;
- 4. Roads and Bridges;
- 5. Water Supply for domestic, industrial and commercial purposes;
- 6. Public Health, sanitation, conservancy and solid waste management;
- 7. Fire services:
- 8. Urban forestry, protection of the environment and promotion of ecological aspects;
- 9. Safeguarding the interests of weaker section of society including the handicapped and mentally retarded;
- 10. Slum improvement and up-gradation;
- 11. Urban poverty alleviation;
- 12. Provision of urban amenities and facilities such as parks, gardens, playgrounds;
- 13. Promotion of cultural, educational and aesthetic aspects;
- 14. Burials and burial grounds; cremations, cremation grounds and electric crematoriums;
- 15. Cattle pounds; prevention of cruelty to animals;
- 16. Vital statistics including registration of births and deaths;
- 17. Public amenities including street lighting, parking lots, bus stops and public conveniences; and
- 18. Regulation of slaughterhouses and tanneries.

1.2 Trend of urbanisation in Maharashtra

As per the Census of 1991, the percentage of urban population in Maharashtra was 39 *per cent*, which increased to 45 *per cent* as per the Census of 2011. In absolute terms, the urban population in the State as per Census of 2011 was 5.08 crore.

With increasing urbanisation, ULBs have to perform a pro-active role in managing water supply, sanitation, solid waste, fire service, preventing disasters and mitigating environmental stress.

1.3 Profile of Urban Local Bodies

The ULBs in Maharashtra are governed by three legislations. The Municipal Corporation of Greater Mumbai (MCGM) is governed by Mumbai Municipal Corporation Act, 1888, while Municipal Corporations other than MCGM are governed by the Maharashtra Municipal Corporation Act, 1949 (MMC Act). The Municipal Councils and Nagar Panchayats are governed by the Maharashtra Municipal Councils, Nagar Panchayats and Industrial Townships Act, 1965 (MMCNPIT Act).

There were 396 ULBs in Maharashtra comprising of 27 Municipal Corporations, 241 Municipal Councils and 128 Nagar Panchayats. The basis of classification of ULBs in the State is shown in **Table 1.1**.

Sr. No.	Classification of ULBs	Basis of classification		
1	Municipal Corporation	Population more than three lakh. Further sub-divided into five categories based on population and per capita income.		
2	Municipal Council	Population between 25,000 and three lakh and the percentage of employment in non-agriculture activities is not less than 35 <i>per cent</i> . Municipal Councils are further divided into class A, B and C based on population.		
3	Nagar-Panchayat	Population between 10,000 and 25,000. Additional criteria for classification were percentage of employment in non-agriculture activities and distance from municipal corporation area and 'A' class Municipal Council.		
Source: Corresponding Acts				

Table 1.1: Classification of ULBs in the State

1.4 Organisational structure of Urban Local Bodies governance in Maharashtra

The Urban Development Department (UDD), Government of Maharashtra (GoM) headed by Principal Secretary is the nodal Department for the governance of all ULBs in the State. The Municipal Corporations headed by the Municipal Commissioners report functionally to the respective elected bodies and administratively to UDD. Similarly, Municipal Councils and Nagar Panchayats headed by Chief Officers report functionally to the respective elected bodies and administratively to the Commissioner and Director,

Directorate of Municipal Administration¹ (DMA) under the administrative control of UDD. A schematic diagram depicting the organisational structure of ULBs is indicated in **Chart 1.1**.

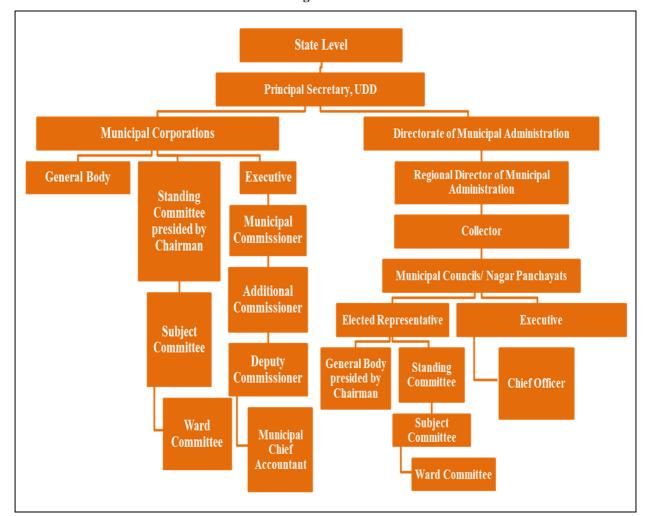


Chart 1.1: Organisation structure of ULBs

Directorate of Municipal Administration (DMA) was established in 1965, under the administrative control of UDD to advise Government in making policy relating to local self-governance, monitoring general working of municipalities and assisting them in drawing budget and plans. DMA also functions as co-ordinator between Municipal Councils and Government. The DMA is assisted by Regional Directors at the division level and Collectors at district level