

Problems of Urban Self-governance in India

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ABSTRACT

Urban self-governance in India has its own set of challenges. There are some critical, both institutional and non-institutional road blocks that are obstructing the efficient and autonomous functioning of urban local bodies in the country. Against this backdrop, the present paper throws light on the overwhelming obstructions that are making the notion of democratic and participatory self-governance, a distant reality for the Urban Local Bodies (ULBs) in India. This paper argues that the municipal bodies in India function as mere vassals of state governments. They neither pose obligatory strategic flexibility nor do they have political legitimacy. Partly this is because of the failure of the 74th Constitutional Amendment Act and JNNURM, the most concrete and profound initiatives of the Government of India regarding the acknowledgement of India's urban contingency, to envisage dynamics of the complex urban conformations. Furthermore, the paper suggests some alternative avenues through which the current urban reality of India can be lined up with the constitutional directives and existing legislative frameworks. Finally, the paper paves the path for some future research endeavours that can hold forth to the existing knowledge apertures in the field of urban self-governance in India, so that ULBs can maximise their capabilities to work as democratic institutions for local people and their interests through bridging the gap between local communities and the upper strata of democratic government.

Keywords: *ULBs, self-governance, local bodies, 74th CAA, JNNURM*

INTRODUCTION

Urban governance is a polygonal term that incorporates a variety of interrelated approaches. Chiefly these comprise political decision

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making, economic and social justice, institutional relationship, financial management, public welfare and safety, and virtually everything that enable the governance bodies (local, provincial or national) and stakeholders to design, fund and manage urban centres. Urban governance takes a critical part in framing the physical as well as the social identity of urban areas via influencing the amount and efficiency of local services. Urban local bodies, popularly known as municipalities or municipal corporations are the public institutions, formed to maintain and manage urban areas. The chief objective behind the devolution of power (political, social and economic) to local bodies is grounded on the notion of active participation and greater responsiveness of citizens to govern their own towns/cities (Agrawal and Ribot, 1999; Aijaz, 2006; Participatory Research in Asia, 2013).

India has emerged as one of the most rapidly growing economies in the world since the last three decades, which in turn is proportionately associated with a high rate of urbanisation in the country. As the 2011 census records, India contains nearly 377 million urban population, residing in 7933 urban centres of different sizes and classes. As an obvious consequence, in recent decades the importance of decentralisation as a tool for devolution of functional and financial power to the Urban Local Bodies (ULBs) has been well realised. However, there are several formidable hindrances to better local governance of urban bodies in India, such as federal government structure that has not equipped its third-tier with substantial autonomy despite amending the Constitution in 1992 for doing so, a broken thread in the institutional fabric for the urban planning and management, a political environment that is visibly inclined towards rural affairs, etc. (Ahluwalia, 2019). Consequently, urban areas of the country are suffering from severe deficiency of autonomy and urban dwellers lead a very difficult life. Therefore, it is high time that the social scientists should bring the issue of urban local governance of India into policy debates and suggest some ways to overcome the existing deficiencies which are hindering the ULBs of India to fulfil their constitutionally envisaged responsibilities.

This article aims to throw light on the overwhelming obstructions that are making the concept of democratic and participatory self-governance, a distant reality for the ULBs of India. The article is divided into six main sections. The first section contains a brief account of the importance of local bodies in urban governance. Subsequently the paper portrays a synoptic picture of the tradition of urban local governance in India. This analysis is followed by two sections, devoted to the brief discussions on the provisions of the 74th Constitutional Amendment Act (CAA) and JNNURM, respectively. The section followed is entirely

devoted to the overwhelming problems faced by the ULBs of India that are obstructing them to function as the institutions of democratic self-governance. Furthermore, the research makes some remarks over the discussion along with some recommendations in order to improve the status of ULBs in India so that the gap between the desired and the actual conditions can be minimised. The last section spells out some potential research questions that can possibly pave the path for future research endeavours in the domain.

Why Local Governance Bodies?

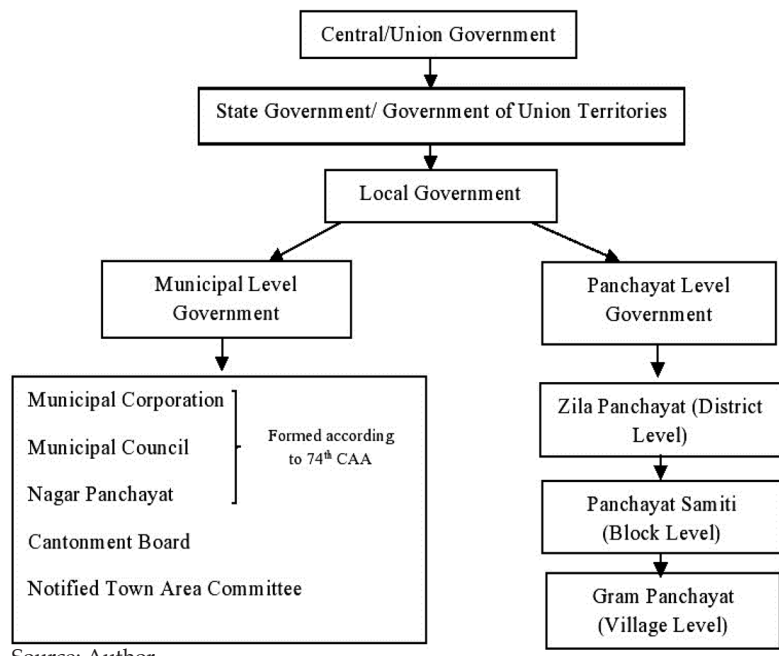
Local governments are the public institutions that govern and manage functions in a smaller geographical and political unit, a village or a city/town. Generally, they do not possess the powers to make laws, but they aid the governance functions at the ground level (Chakraborty and Chakraborty, 2016). Local government is the closest public sphere to local people. It can have the best access to the prevailing issues at grassroots level. Additionally, the local government is able to reach out to the most disadvantaged sections of the local population, and provide them with equitable facilities, which in turn can pave the path for better communication and more convenient exchange of information. Subsequently, these democratic bodies can cordially promote the strategy of active citizenship as means of fostering greater citizen responsibility for both the direct provision and management of public and welfare services (Kearns, 1992). Strengthening participatory conventions in local self-governance practices brings governance authorities closer to citizens. This helps to maintain a citizen-friendly administration. Citizens' participation expands public spaces, enhances the relationship between society and government, gives greater legitimacy to democratically elected local authorities, promotes respect for citizenship rights, refines the quality of politics, and strengthens solidarity and cooperation (Participatory Research in Asia, 2013). Thus the active performance of local bodies can act as a rationale for better pursuance of participatory democracy that enables local citizens to carry out autonomous decision-making system with ease and efficiency.

The Tradition of Urban Local Governance in India

In India, urban local governance bodies are in existence in one form or another since the ancient period. Excavated remnants of the Towns of Indus Valley Civilization (Harappa, Mohenjo-Daro etc.) provide ample evidence of well-organised urban governance. Urban bodies at that time were self-efficient governance units. Kautilya in his comprehensive treatise '*Arthashastra*' addressed the role of a '*Nagaradhyaksha*' or '*Nagarak*', the city superintendent who was responsible mainly for the

maintenance of the municipal law and order (Sharma, 2004). During the Mauryan period entire city used to be divided into four major parts, each part being headed by an officer known as 'Sthanik', a counterpart to the present superintendent of police; additionally on a unit of 10 to 40 houses there used to be an officer known as 'Gop' and his duty was not only to provide security to the residents but also keep a close eye on their activities (Sharma, 2004). During the Gupta period, towns were administrated by a council, whereas Mughal rulers assigned a 'Kotwal', who was the city governor posing powers and duties of the chief city police, magistrate and prefect of municipal administration (Aijaz, 2006). However, at that time municipal governance was largely confined in the hands of the ruling classes and their nominated or subordinate persons. That was the time when urban areas were substantially small in dimension. But with the passage of time, they grew in size and became more complex. Thus, the requirement for a more complex form of urban governance had emerged.

Fig. 1: Present form of Hierarchy of Government System in India



The contemporary form of urban local government owes its genesis to the British rule, where the first Municipal Corporation was set up in Madras in 1688, followed by the establishment of similar Corporations in Bombay and Calcutta in 1762 (Savage and Dasgupta, 2006, p.42).

Samuel Laing, a member of the Hon'ble Viceroy's Council proposed the resolution of self-efficient local government in the Budget Speech of 1861-62. In 1870, Lord Mayo, in his resolution advocated for the idea of decentralised administration. Consequently, enactment of some Municipal Acts took place which extended systems of election, local finance, etc. had been introduced. In 1882, Lord Ripon often called the *father of municipal self-governance in India*, released his resolution where he advocated for the establishment of a network of local self-government institutions, reduction of the official element to not more than a third of the total membership, a large measure of financial decentralisation, adoption of election as a means of constituting local bodies, etc. (Aijaz, 2006). Consequent to the resolution, the Bombay City Municipal Corporation Act came into being that enabled the Bombay City Council to be constituted mostly by elected and nominated personnel. Since then the organisational and functional structure of urban bodies remained more or less similar despite the fact that the frequency of urban areas increased visibly and types of urban problems became much more complex. India's Independence in 1947 and consequent emergence of the Constitution of India in 1950 made urban affairs a state matter. The nature and extent of municipal power thus entirely became dependent on the state Acts. The Seventh Schedule (entry 5) of the Constitution of India, equipped the States with legislative powers to enact municipal laws related to the governance power and autonomy of local bodies. However, the recent decades have experienced an increasing consciousness regarding the requirements and significance of local democratic governance as a mechanism of participatory and responsive self-governance. A number of initiatives have been undertaken by the public and the private sector to strengthen municipal bodies and to improve the quality of services in urban areas (Aijaz, 2008). The 74th Constitutional Amendment Act (CAA), 1992 had become a milestone step taken by the Government of India in this regard that gave constitutional status to urban local bodies. It was the first momentous initiative to secure the stabilisation of municipal self-governance and its democratic structure through constitutional provisions. Since then the Government of India has initiated a considerable number of programmes and missions to strengthen urban self-governance, which cumulatively have more complex than satisfactory results.

The 74th Constitutional Amendment Act – A Remarkable Initiative to Empower Municipal Self-governance

Prior to the 74th CAA, ULBs in India lacked dignity due to the absence of proper constitutional status. In the majority of the states, they used to face tedious negligence and became frail and feeble. Failure to conduct

regular municipal elections was quite common for the majority of Indian states. The municipal bodies were suffering from weak institutional structure, functional disintegration, inadequate financial resources, lack of citizens' participation and low public status. Local governance was largely state-centric where the municipalities were financially, functionally and administratively dependent on the state governments. Thus the 74th CAA came into being like a saviour of urban local bodies, with some overwhelming aims and objectives. The primary objective of the 74th CAA was to invigorate democratic ideals at the grassroots level through urban local governments, and the secondary aim was to raise the level of participation of elected representatives of urban citizens in the governance of the cities (IGSSS, 2019). The 74th CAA addressed several mandatory reforms for strengthening municipal governance and public participation in urban local governance:

- i. Constitution of municipal bodies for five years through universal adult franchise for each statutory urban body of the country. If a municipal body was dissolved before the completion of its term then a new municipal election was to be conducted within a span of 6 months from the date of dissolution (Article 243 U). There must be a State Election Commission (SEC) in each state to ensure the regular elections for ULBs in the respective state (Article 243 K). No less than one-third of seats in the municipal bodies will be reserved for women candidates. Whereas for SC and ST candidates seats will be reserved in a proportion of their population in the respective urban body (Article 243 T).
- ii. Based on the population size, revenue structure and economic status, statutory urban bodies of the country can be placed under three different categories, such as Municipal Corporation, Municipal Council and Nagar Panchayat (Article 243 Q).
- iii. The Governor of every State has been given the responsibility to constitute a State Finance Commission for a tenure of 5 years (Article 243Y) to review the financial condition of ULBs.
- iv. For every district and metropolitan region, a District Planning Committee (Article 243 ZD) and a Metropolitan Planning Committee (Article 243 ZE) have to be constituted, with the rationale of preparing developmental plans for their respective area of interest.
- v. Article 243W of the Constitution requires the state laws

to endow the municipal bodies with such powers and authority as may be necessary to enable them to function as the institutions of self-government (JNNURM Primers, p.7). The 12th Schedule has been attached to the Constitution that provides recommendations to the states regarding the transfer of 18 mandatory functions to ULBs, in order to increase the capacity of municipal bodies to function as the self-efficient governance units.

The 74th CAA envisages enabling people to participate in development processes at the ward, municipal, district and metropolitan region level, where the empirical evidence of such optimism could be

Box 1: Functions listed in 12th Schedule of the Constitution of India

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|---------|--|
| (i) | Urban planning including town planning; |
| (ii) | Regulation of land-use and construction of buildings; |
| (iii) | Planning for economic and social development; |
| (iv) | Roads and bridges; |
| (v) | Water supply for domestic, industrial and commercial purposes; |
| (vi) | Public health, sanitation conservancy and solid waste management; |
| (vii) | Fire services; |
| (viii) | Urban forestry, protection of the environment and promotion of ecological aspects; |
| (ix) | Safeguarding the interests of weaker sections of society, including the handicapped and mentally retarded; |
| (x) | Slum improvement and upgradation; |
| (xi) | Urban poverty alleviation; |
| (xii) | Provision of urban amenities and facilities such as parks, gardens, playgrounds; |
| (xiii) | Promotion of cultural, educational and aesthetic aspects; |
| (xiv) | Burials and burial grounds; cremations, cremation grounds and electric crematoriums; |
| (xv) | Cattle pounds; prevention of cruelty to animals; |
| (xvi) | Vital statistics including registration of births and deaths; |
| (xvii) | Public amenities including street lighting, parking lots, bus stops and public conveniences; and |
| (xviii) | Regulation of slaughter house and tanneries. |

Source: National Portal of India, (2012), Retrieved April 25, 2021, from <https://www.india.gov.in/my-government/constitution-india/amendments/constitution-india-seventy-fourth-amendment-act-1992>.

realised only after the incorporation of provisions of 74th CAA in the existing municipal Acts (Savage and Dasgupta, 2006, p.44). Thus all the state governments had been instructed to amend their prevailing municipal laws to create conformity with the provisions of the 74th CAA.

Jawaharlal Nehru National Urban Renewal Mission (JNNURM) - A Reform Oriented Mission to Strengthen the Provisions of 74th CAA

JNNURM is a landmark endeavour, initiated by the Government of India to strengthen municipal governance, as it brought India's urban affairs to the pivotal point of policy debates.

The mission was launched during 2005 -2012, to improve urban infrastructure and governance in selected 65 cities of different sizes/ classes. Although it was predicted that the mission would be completed by the year 2012, majority of the states were unable to implement the stipulated reforms in a satisfactory manner, and thus the mission was further extended for a period of two years. The mission sought to expedite infrastructure investments by bringing the ULBs, and State Governments closer to each other, in order to endure the flow of capital resources for investment as well as leveraging required reforms for the urban sector. It was also indicated that the 74th CAA was the underlying philosophy of the mission (Sivaramakrishnan, 2011). It was the single largest initiative of the Government of India for planned urban development that integrated the two pressing requirements of urban India: massive investments required for infrastructure development and reforms that were required to sustain investments.

Besides having the tag of "infrastructure development mission", JNNURM significantly tried to accrue the status of ULBs in India. It gave momentum to the buried provisions of the 74th CAA. Many of the municipal bodies were not equipped enough to take over many strenuous functions listed under the 12th Schedule of the Constitution. Majority of them did not have the capacity to undertake the functions such as roads and bridges, water supply, sewerage and urban forestry (Sharma, 2018). Furthermore, in some of the states, a strategy had been tactically developed for municipal bodies to be amalgamated with parastatal bodies for the delivery of a number of services and thus reported those functions as allocated to the ULBs. Thus, one of the major thrusts of JNNURM was to ensure the betterment of municipal governance and service provision in order to enable ULBs to make themselves financially sound and infrastructurally sustainable. The mission initiated 23 reforms, categorised as mandatory and optional. ULBs were required to implement six mandatory and ten optional reforms, the remaining being considered as state reforms. These thirteen

**Box 2: Mandatory and Optional Reforms for Urban
Local Bodies under JNNURM**

Mandatory Reforms at the Level of ULBs and Parastatal Agencies

- i. Adoption of a modern, accrual-based, double entry system of accounting;
- ii. Introduction of a system of e-governance using IT applications, GIS and MIS for various urban services;
- iii. Reform of property tax with GIS, and arrangement for its effective implementation so as to raise collection efficiency to 85 per cent;
- iv. Levy of reasonable user charges, with the objective that full cost of operation and maintenance is collected within seven years;
- v. Internal earmarking of budgets for basic services to the urban poor; and
- vi. Provision of basic services to the urban poor, including security of tenure at affordable prices.

Optional Reforms (Common to States, ULBs and Parastatal Agencies)

- i. Revision of bye-laws to streamline the approval process of construction of buildings, development of sites, etc.;
- ii. Simplification of legal and procedural frameworks for conversion of agricultural land for non-agricultural purposes;
- iii. Introduction of property title certification;
- iv. Earmarking of at least 20-25 per cent developed land in housing projects for economically weaker sections and low income groups with a system of cross-subsidisation;
- v. Introduction of computerised registration of land and property;
- vi. Revision of byelaws to make rainwater harvesting mandatory in all buildings, and adoption of water conservation measures;
- vii. Byelaws for reuse of recycled water;
- viii. Administrative reforms including reduction in establishment cost by introducing voluntary retirement schemes and surrender of posts falling vacant due to retirement;
- ix. Structural reforms; and
- x. Encouraging public private-partnership.

Source: Ministry of Urban Employment and Poverty Alleviation and Ministry of Urban Development, Government of India, Jawaharlal Nehru National Urban Renewal Mission: Towards better cities. Retrieved March 10, 2021, from [https://mohua.gov.in/upload/uploadfiles/files/6Broucher%20English\(1\).pdf](https://mohua.gov.in/upload/uploadfiles/files/6Broucher%20English(1).pdf).

reforms permitted the ULBs to increase their efficiency to deliver urban services in an equitable, sustainable, cost-effective, transparent and citizen-friendly way. Majority of the municipal bodies that came under the provisions of JNNURM, had shown their commitments to implement these reforms. The application of e-governance through better usage of information and communication technology tried to improve the efficiency of municipal governance significantly. Registration of birth and death and redressal of grievances through

e-governance had been successfully implemented in most of the cities, whereas most of the large municipal corporations had introduced the accounting system founded on the double-entry bookkeeping (Kundu, 2014). Simultaneously, most of the ULBs had become able to increase their property tax coverage through the adoption of translucent, non-discretionary, and unambiguous urban property tax reforms. With the initiation of this reform, 40 cities had become able to bring more than 85 per cent of the properties under the coverage of the property tax net and the tax collection of 34 cities had been more than 90 per cent of the total demand (Kundu, 2014). A special mention of the Community Participation Law should be made in this regard. This Law of JNNURM contained the resolution of the Central government for the enactment of laws in different states concerning the development of Area Sabha at the sub-ward level and Ward Level Committees. This initiative was primarily endeavoured to promote public participation in municipal governance. Additionally, civil society participation was believed to be enhanced with the provisions of structures like Technical Advisory Group (TAG), City Technical Advisory Group (CTAG) and the City Volunteer Technical Corps (CVTCs) under JNNURM, where both the CTAG and CVTC were supposed to guide and support ULBs to ensure transparency and accountability (Participatory Research in Asia, 2013).

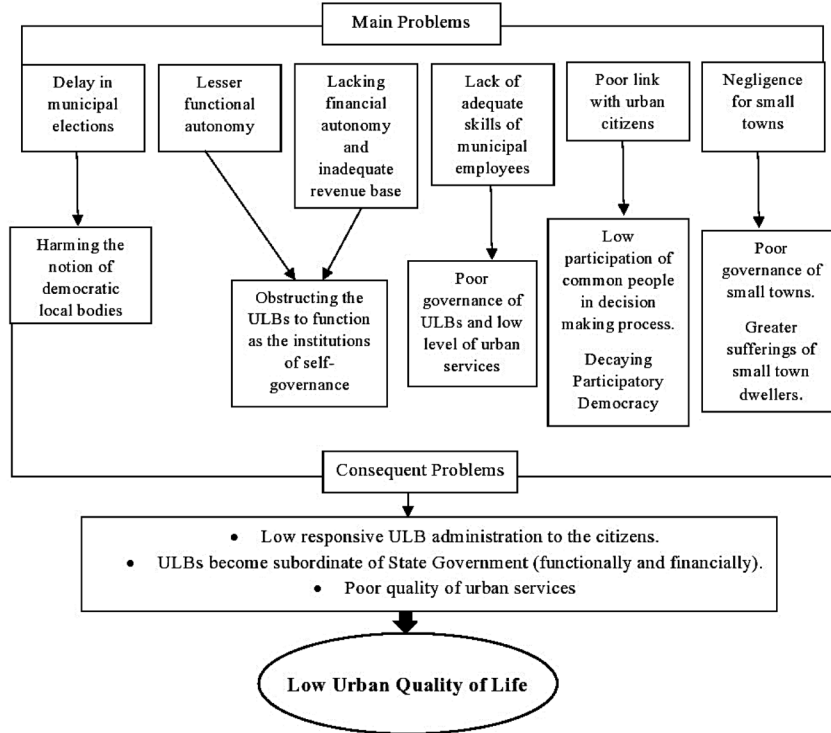
Problems of Urban Self-governance in India

Urban self-governance in India has its own set of challenges. There are some critical, both institutional and non-institutional roadblocks that are obstructing the efficient and autonomous functioning of ULBs in the country. The municipal self-governance of India is buried under the cover-mass of a huge range of problems. In India, the ULBs have been entrusted with the task of managing towns and cities, but they are not adequately equipped to ensure citizens' participation, as decentralisation and devolution reforms have not been rendered fruitful (Participatory Research in Asia, 2013). Municipal institutes have not been entrusted with substantial power and autonomy to tackle the tremendous difficulties while efficiently delivering civic services as well as planning and managing the process of urbanisation that is inevitably associated with rapid economic growth (Ahluwalia, 2019).

DELAY IN MUNICIPAL ELECTIONS

One of the most visible causes responsible for the bad shape of municipal self-governance in India, is the prolonged delay in organising municipal elections. Most Indian states do adopt tactics to delay the municipal elections according to their whims and fancies (Raza et al., 2020). State Election Commission is not equipped with enough constitutional power

Fig. 2: Problems of Urban Self-Governance in India



Source: Author.

to transparently maintain regular elections of local bodies. Despite the constitutional requisite that the municipalities will be constituted for five years only and the State Election Commission is bound to conduct municipal elections as per requirements, in many states, the State Election Commissions are incapable to do so because the authority for delimitation of municipal wards lie in the hands of the state governments and they in most of the cases consensually do not undertake the task on proper time. Thus State Election Commission becomes unable to conduct elections on time. There are enough examples to show that State Election Commissions had to confront the state government in the court in order to fulfil their responsibilities properly. For example, the Telangana State Election Commission went to the State High Court with an appeal that the state government is deliberately not making proper arrangements to conduct municipal elections for ULBs after their terms expire (Vamshidhara, 2019, cited in Prasad and Pardhasaradhi, 2020). A report of the Comptroller and Auditor General of India (2012-13) recorded that in 23 out of 30 states/UTs (that come under the 74th CAA), ULB elections were held timely; in six states (Arunachal Pradesh,

Assam, Jammu and Kashmir, Jharkhand, Meghalaya and Nagaland) ULB elections had not been held regularly and in Sikkim, the very first ULB election was conducted in 2010 (GoI, 2012, p.18). In many states, the ULB elections were announced only when the court pushed the state to do so, as happened in 2013 in the case of Andhra Pradesh, West Bengal and Karnataka (National Social Watch, 2011), and in Madhya Pradesh in 2021. Karnataka High Court set a timeline for the State Election Commission and state government to conduct elections for 21 ULBs in December 2020 (ENS, 2020). The erstwhile Andhra Pradesh government had failed in securing around Rs.3,000 crore of central grants from the 13th Finance Commission due to delay in conducting the elections of local bodies (Suchitra, 2015). The city of Visakhapatnam and Chennai had not held municipal elections since 2011 and 2016, respectively (IGSSS, 2019). The Municipal Corporation of Guntur (Andhra Pradesh), experienced local body polls after 11 years in 2021 (ENS, 2021).

LESSER FUNCTIONAL AUTONOMY OF ULBs

As recorded earlier in the 12th schedule of the 74th CAA, 18 functions are enlisted that are required to be performed by the ULBs. The main objective behind this was to equip ULBs with substantial functional responsibilities so that they can act as institutions of self-governance. However, available literature shows a different picture. By the year 2013, only 11 out of 31 states/UTs transferred all the 18 functions to ULBs, whereas in the remaining states, the number of transferred functions were varied (GoI, 2012, p. 19). Surprisingly, the state of Arunachal Pradesh, Jammu and Kashmir, and Meghalaya did not transfer a single function to ULBs, wherein Himachal Pradesh eight functions, in Manipur three functions, in Sikkim and Nagaland only one function was fully transferred to ULBs (GoI, 2012, p. 19).

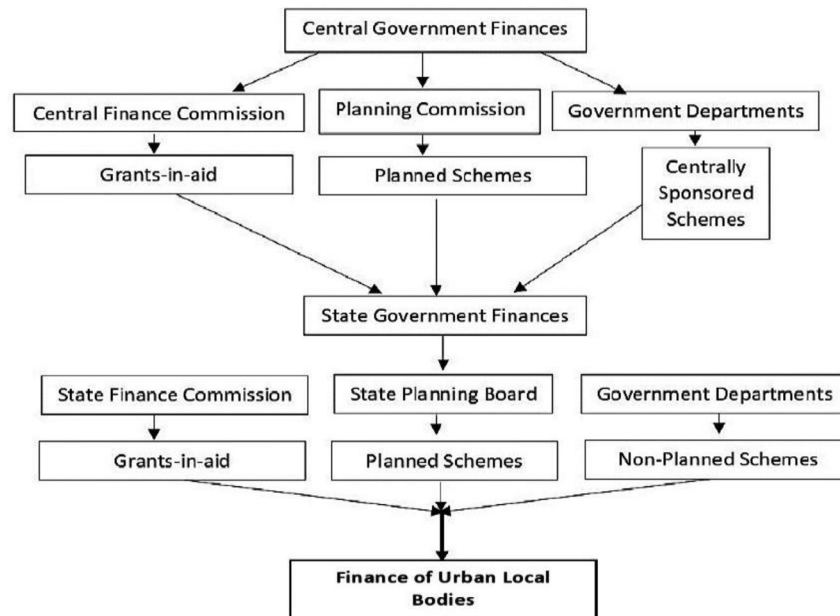
Town planning is a very significant function as it helps the ULBs to mobilise finances in a transparent manner, so as to maintain the urban infrastructure in a sustainable way and deliver urban services with greater efficiency. However, in a majority of the states like Uttar Pradesh, Punjab, Arunachal Pradesh, Manipur and Bihar it is continued to be performed by the state. Even one of the most prosperous municipal corporations of India, the Greater Mumbai Municipal Corporation that is responsible for urban governance in the Greater Mumbai region, lacks substantial powers related to urban planning and land-use regulation because it does not have any independent authority to lease land and to accrue revenue independently (IGSSS, 2019). The Tirupati Urban Development Authority was founded by the Government of erstwhile Andhra Pradesh in 1982 to solve twin problems of housing and water supply in Tirupati city and its adjacent counterparts. Thus gradually

the state government eroded the powers of the Tirupati Municipal Corporation by establishing the parallel body, i.e. Tirupati Urban Development Authority. In a considerable number of states like Tamil Nadu, Karnataka and Kerala, even water supply that is believed to be a core urban function, is continued to be performed either by the respective state government or parastatal agencies. Public Health Engineering Department in Assam and Rajasthan, and the city level parastatal bodies in the Municipal Corporation of Hyderabad and Chennai are responsible for the function of water supply (Prasad and Pardhasaradhi, 2020). A report by the Comptroller and Auditor General of India (2020) recorded that the state government of Karnataka has constituted as many as 31 Urban Development Authorities and 52 Town Planning Authorities to achieve an optimum level of planned development of major urban clusters, instead of giving more functional autonomy to ULBs. Though one of the important mandatory reforms of JNNURM was the functional amalgamation of parastatal bodies with ULBs, majority of the state governments are reluctant to do so. Additionally, some of the states comprise a bizarre arrangement in their respective municipal laws depicting that some specific functions can be occasionally allocated or de-allocated to local bodies by the government of the respective state, thereby encouraging ambiguous assignment.

LACKING FINANCIAL AUTONOMY AND INADEQUATE REVENUE BASE OF MUNICIPAL BODIES

The revenue base of municipal bodies in India does not have any special provision in the Constitution of the country. The power and authority to determine municipal revenue base, i.e. tax authority, tax base, tax rate settings, local tax autonomy, or even the grants-in-aid and other forms of financial transfers rest with the state governments (Mathur, 2006, p.84). As an obvious consequence, ULBs lack of financial autonomy and the absence of any well-ordered and structured method to transfer the financial resources to municipal authorities make them entirely dependent on the mercy of the state government. Additionally, a substantial number of municipalities, especially the smaller ones are even unable to pay salaries to their employees from their own revenue and thus have to function as auxiliary of the state governments, as that is apparently the only possible way. In Delhi, 1.25 lakh municipal employees of the three Municipal Corporations came on strike over salaries not being paid by the civic bodies (The Hindu, 2020). In Hyderabad, most of the property taxes that come from the prosperous parts of the city where property taxes are found to be highest, such as areas like IT Parks, are tactically kept by the state government through its Industrial Township Law (IGSSS, 2019).

**Fig. 3: Fiscal Dependency of Urban Local Bodies in India
 (After Mohanty et al., 2007)**



Source: Author.

Municipal bodies require a considerable amount of financial resources and substantial financial autonomy to efficiently execute all of the functions assigned to them. Ironically, there is an existing mismatch between the assigned duties to the municipalities and the rights that they have on various resources. Autonomously they can extract money from various internal sources, which include both tax (property tax, vehicle tax, etc.) and non-tax (rent from municipal properties, tolls, user charges, etc.) revenue. However, most municipalities of India are unable to generate adequate funds from their internal sources, mainly due to deficiencies in calculating the tax and non-tax rates, reluctance in imposing or accelerating direct taxes, low efficiency of civic services and inadequate attention to citizens' grievances (Aijaz, 2006). Consequently, they have to largely depend on external finance that either comes from the budgetary support of state/Central government or different multilateral or bilateral undertakings funded by a variety of national or international bodies like International Monetary Fund, World Bank, etc. Thus, the total municipal revenue in the country has a very inconsequential contribution to the national GDP. In 1997-98, municipal revenue constituted merely 0.61 per cent of the national GDP of India, which was increased by 0.63 per cent in 2000-01, and 1.08 per

TABLE 1: SHARE OF MUNICIPAL OWN REVENUE IN TOTAL MUNICIPAL REVENUE IN DIFFERENT STATES OF INDIA (2010-11 AND 2017-18)

States	2010-11	2017-18	States	2010-11	2017-18
Andhra Pradesh	56.0	62.8	Manipur	3.7	4.4
Arunachal Pradesh	NA	5.7	Meghalaya	57.5	59.8
Assam	29.7	62.0	Mizoram	1.8	10.8
Bihar	4.0	6.2	Nagaland	78.4	91.5
Chhattisgarh	NA	52.5	Odisha	17.9	10.2
Goa	NA	47.0	Punjab	79.8	82.0
Gujarat	32.2	47.2	Rajasthan	43.2	32.5
Haryana	27.0	25.1	Sikkim	NA	41.7
Himachal Pradesh	33.3	30.9	Tamil Nadu	34.2	29.8
Jammu and Kashmir	11.0	9.0	Telangana	53.7	65.8
Jharkhand	NA	8.7	Tripura	8.6	5.4
Karnataka	25.5	26.7	Uttar Pradesh	16.0	13.7
Kerala	41.3	23.2	Uttarakhand	20.7	11.1
Madhya Pradesh	74.5	42.7	West Bengal	22.8	19.9
Maharashtra	83.0	65.3	INDIA	50.9	42.7

Source: Ahluwalia et al., 2019, State of Municipal Finances in India, p. 81.

cent in 2007-08, and further declined to 1.05 per cent and one per cent in 2012-13 and 2017-18 respectively. On the contrary, the same municipal revenue accounted for a much higher proportion of the national GDP in countries like Poland (4.5 per cent), South Africa (6 per cent), Brazil (7.4 per cent), United Kingdom (13.9 per cent) and Norway (14.2 per cent) in 2010 (Mohanty, 2016, cited in Ahluwalia et al., 2019, p.7). Municipal own revenue accounted for 53 per cent of the total municipal revenue in 2007-08 in India, was declined to 51 per cent in 2012-13 (Ahluwalia, 2019).

LACK OF ADEQUATE SKILLS OF MUNICIPAL EMPLOYEES

Urban self-governance in India is suffering from a serious crisis of human resources. The number of statutory responsibilities of municipal bodies has increased over time but these have not been matched by a corresponding capacity building effort of municipal employees at different levels (Hussain, 2007). These issues cut across the ULBs and are embodied in many forms. Some municipal departments are lacking in staff strength, whereas some are staffed with employees devoid of requisite skills. Municipal bodies are confronting a serious deficiency of skilled workforce, which in turn is obstructing them to deliver public services to citizens with ease and efficiency. A considerable

number of elected representatives come to the municipal offices and in a substantial case, it is their first visit to the municipal office and governance, where they are mostly unaware of the municipal systems, i.e. its laws, procedures and processes (Prasad and Pardhasaradhi, 2020). In the last two three decades, the issue of skilled manpower in ULBs has emerged as a matter of discord as the urban population has been increased massively and the complexity of urban problems took multifarious forms. Inadequate professional skills of municipal employees are reflected through poor communication of municipal workers with citizens. Since most of the civic services involve close interaction with people on a regular basis (e.g. water supply, sanitation, transportation, education), corruption of every form is easily visible (Hussain, 2007).

In 2013-14, the Municipal Corporation of Bangalore consisted of only 10,000 employees, where the sanctioned strength was 19,000 (Viswanathan and Poddar, 2014). A 2017 study by the Janaagraha Centre for Citizenship and Democracy recorded that the average staff vacancy of 23 major cities of India from 20 different states, was nearly 35 per cent, with the highest vacancy being 60 per cent in Guwahati. The study also pointed out that the commissioners of these cities do not pose the requisite experience in urban governance and management, which probably obstructs their ability to govern their respective cities efficiently. Commissioners of seven very important cities, such as Chandigarh, Dehradun, Guwahati, Kanpur, Ludhiana, Ranchi and Thiruvananthapuram had less than one year of experience in urban governance.

POOR LINK WITH URBAN CITIZENS

The 74th CAA, 1992 was a quantum leap that gave constitutional status to the institutions of self-governance, i.e. municipal bodies in order to bring the local voices to the local policy debates. This was further strengthened by JNNURM (2005). However, ground realities reflect that the citizens in urban areas are rarely included or involved in decision making, especially the marginalised and vulnerable sections of society who indeed are the most affected by the emerging crisis of urbanisation (Participatory Research in Asia, 2013). ULBs, which have been entrusted with the task of managing towns and cities, are not adequately equipped to ensure citizens' participation, as decentralisation and devolution reforms have not been rendered fruitful (Tripathi, 2018). As a combination of a host of interrelated factors, like fragmentation of responsibilities, inadequate staff strength and skills, political agenda and many more, the municipal bodies and their governance are not substantially responsive to the urban citizens of the

country. Subsequently, the ambiguous functional domain of ULBs and the inclusion of parastatal bodies, make municipal governance further remote and inaccessible for the citizens. Low participation of voters in municipal elections is of common occurrence in many of the ULBs in India, as the citizens are not being encouraged to actively participate in the political decision-making process. Additionally, the difunctionality of Ward Committees further gives momentum to the problem. Politically motivated nominations of members of the Ward Committees, non-occurrence or poor participation of members in the Annual General Meetings, lack of awareness and non-availability of information among urban citizens defeat the very purpose of formation of Ward Committee as an apolitical participatory body (IGSSS, 2019).

The low engagement of urban citizens in municipal affairs is clearly reflected through the low voter turnouts in municipal elections. In 2012, the voter turnout of Brihan Mumbai Municipal Corporation and Thane Municipal Corporation could not exceed 45 per cent, whereas, in certain wards of Brihan Mumbai, Pune and Chinchwad Municipal Corporations, the voter turnout was as low as 29 per cent in 2012 (Parchure et al., 2017). Polling for seven ULBs in Bihar in 2017 had shown a voter turnout of 64 per cent (PTI, 2017). Similarly, the election of Greater Hyderabad Municipal Corporation experienced a voter turnout of merely 36 per cent in 2020 (PTI, 2020). In 2021, the election of four Municipal Corporations in Himachal Pradesh, such as Dharamshala, Mandi, Solan and Palanpur, had shown an average voter turnout of 65 per cent (TNN, 2021).

NEGLIGENCE FOR SMALL TOWNS

The governance issues of Indian urban centres that are discussed in the previous sections, appear to be more acutely prevalent for small and medium-sized municipalities of the country. Most of the fruitful missions or programmes for the development of urban infrastructure and governance are largely biased towards big cities. Big municipal bodies, having greater functional and financial autonomy, can better take the benefits of these missions and thus are better able to develop infrastructures and deliver civic services with greater ease and efficiency. Subsequently, decentralisation and delegation reforms have not yielded fruitful results for the lion share of small and medium-sized towns of the country. Caused by the limited ability to understand and execute various reforms and prepare urban development plans and project reports that are essential for being qualified for external funds, the small and medium-sized towns can take very limited advantage of various reform initiatives, undertaken by the Central or state governments. The ULBs, with a smaller dimension, are so weak, both in terms of their ability to

raise finance and resource constraints, that their low status in urban hierarchy along with their poor administrative and fiscal framework, do not allow them to attract capital for investment (Kundu, 2014). In the year 2017-18, Municipal Corporations of the country constituted nearly 80 per cent of the total municipal own revenue, the remaining 20 per cent was constituted by all the Municipal Councils and Nagar Panchayats. Therefore, the condition of most small towns in India is depressing and the local governance bodies of these towns have not been able to provide the desired level of services to their citizens (Aijaz, 2006).

REMARKS AND RECOMMENDATIONS

Local governance bodies in India have a long tradition as a service provision agents, but not as an agent of local level obedience and accountability. Consequently, local governance bodies are not responsible to local communities, as they are posing a very lean set of financial power and functional autonomy. States are still appeared to be powerful enough to control the number of agencies at a local level and a majority of the attempts to decentralise financial and functional powers did not yield desired consequences. The net result is that the urban centres are continued to be governed by a plethora of agencies/ parastatals, with weak coordination and very little accountability (Savage and Dasgupta, 2006, p.57). Indian cities have not been armed with substantial power to confront the critical challenges of delivering public services, planning and managing the process of urbanisation (Ahluwalia, 2019), which in turn is associated with a tremendous rate of urban-economic growth.

Admonishing systematic and well-planned urbanisation is of critical importance to ensure that India must remain and sustain a high growth trajectory. Urban places are the instruments, which can pave the path towards achieving sustainable development objectives in a country like India, which is urbanising very fast. Considering India's federal structure, enabling efficient local governance will be successful only when the states will be whole-heartedly willing to do so. Taking inspiration from the tremendous global trend towards devolution and decentralisation, attempts should be made to recognise a new course of action for mobilising financial resources for municipal bodies. Furthermore, a strong institutional structure is required for the ULBs where the Mayor or Municipal Chairman will have substantial autonomy to make decisions that are required for better governance at the local level. The issue of low public participation also requires an urgent solution, as the low participation of local people in municipal affairs is making the notion of participatory municipal governance, a distant reality. The key effort in this concern should be moving towards

direct engagement of people in policy decisions from merely having representatives to do so, the role of people in the gradual process in achieving participatory governance and the way forward to propose and critique to enable people-friendly governance (IGSSS, 2019). For effective participation, the civic society needs to be organised into groups, representing different collective interests that may range from neighbourhood-based community organisations (e.g. resident welfare associations) to Non-Governmental Organisations or different forms of citizen and consumer forums which represent the interest of specific groups in the society (Mehta, 1999, p.177). In addition youth participation in municipal administration also requires an impetus, so that the young brains can be engaged to open new avenues for the betterment of the municipal governance system.

Inadequate urban governance skills and management capacity of the existing municipal personnel is one of the major obstructions in the path of achieving effective municipal self-governance in India. Therefore, the capacity building programmes have to be carried out in order to improve the governance and management abilities of municipal personnel, so that they can perform their tasks with better efficiency. Capacity building does not mean administrative training solely, rather it incorporates better norms and values among municipal staff, commitment towards vision and mission of participatory democracy, management skills and virtually everything that are required for better governance of the cities. It is obligatory to acknowledge that capacity building programme is a long-term, sustainable operation that requires to be institutionalized with strong planning and implementation objectives. Subsequently, there is an urgent requirement to calibrate and benchmark continuously against measurable indicators over a period of time in order to make course corrections to achieve the desired results (GoI, 2011).

We are not too far from the desired goals. Several contemporary initiatives, undertaken by the Government of India, contributed significantly to promote better municipal governance in the country. The *Swachh Sarvekshan*, started in 2017, is one such initiative that significantly considered citizens' participation to define the hygiene status of their own cities. Another key initiative, launched by the Government of India that invites participation from every citizen and stakeholder, is the introduction of *Thematic Drives*, where every fortnight a particular *theme* is taken up for focussing on hygiene (swachhata) and in 2016-17, 24 such thematic drives or '*pakhwadas*' were held, each of them seeing large scale participation from citizens across sectors (GoI, 2017, p.28). A *Swachh Bharat Idea Book* has also been introduced to encourage common

people with ideas that are easy to implement so that they can contribute at their own level to the mission. Additionally, at the city level, ULBs are engaging extensively with self-help groups at the slum level, utilising their cooperative power to bring about collective behaviour change, by bringing change champions themselves, inspiring other slum residents to follow proceedings (GoI, 2017, p.30). Furthermore, the Ministry of Housing and Urban Affairs (Government of India) has introduced several indexes, like 'Ease of Living Index' since 2017 to examine the ease of living of urban citizens of select cities, across three parameters: 'quality of life, economic ability and sustainability'; 'Municipal Performance Index' from 2019 to assess the sectoral performance of select ULBs across a set of five pillars: 'service, finance, planning, technology and governance', in order to encourage healthy competition among cities to perform better in these indexes through the adoption of best urban governance practices that are both sustainable and citizen-friendly (MoHUA, 2021). However, despite all these efforts, it is quite evident that the ultimate task of uplifting the status of ULBs has to be done by the states. When the state governments will be proactive enough to come forward with obligatory legislative reforms, institutional arrangements for fiscal and bureaucratic support, functional devolution and helping the urban local bodies to function as the institutions of self-governance, the impact will be visible, and then, decentralisation objectives will be successful.

Scope for Future Research

The present work not only furnishes the key challenges of urban local governance in India and provides some potentially constructive suggestions to assist the dream of sustainable and participatory local governance to become a feasible reality but also stimulates and highlights some crucial questions that are research-worthy and require to be answered. These can be considered as the epilogue of this research and can possibly pave the path for future research endeavours in the domain. What are the contemporary global practices on active citizenship, multi-agency collaborative mechanism, community participation and modernisation of local government structures? How these can be corroborated for Indian ULBs? Which are the Indian cities/ULBs that offer satisfactory examples of successful and efficient self-governance practices and how their endeavours can be replicated (in a modified way) by other ULBs to achieve the same? How the old vertical hierarchies among government structures can be modified and in which way the virtuous democratic wings can emerge in urban areas, where active participation of citizens will bring about new contours of influence and engagement that in turn, can foster further scope for and inclination

towards more inclusion, participation and activation? What can be the potential role of urban planners and practitioners in this regard (as urban planning is associated with all the available dimensions of well-being of urban dwellers)? Future research endeavours should hold forth to these knowledge apertures so that urban local bodies can maximise their capabilities to work as democratic institutions for local people and their interests through bridging the gap between local communities and the upper strata of democratic government.

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