

1. SALIENT FEATURES OF THE MUNICIPALITIES AFTER PASSING THE 74TH AMENDMENT ACT:

The 74th Amendment Act 1992 came into effect on 1 June 1993 heralding a new era in the history of urban local self-government in India.

The salient features of the Act are as follows.

1. Constitution of three types of municipalities:

1. Nagar Panchayat
2. Municipal Council
3. Municipal Corporation

- Nagar Panchayats are created for a transitional areas (the area which is fast changing from rural to urban area) or for a very small urban areas. Its tenure is five years.
- Municipal councils are created for smaller urban areas. Its tenure is five years.
- Municipal corporations are created for larger urban areas. Its tenure is 5 years.
- Fixed five year term and continuity of operation for municipalities.
- Appointment for an State election commission in each state for conducting local elections to the institutions of local government.
- Constitution of metropolitan and district planning committees in each state.
- Constitution of finance commission for local governments.
- Provisions for reservation of seats for SCs, STs, OBCs and women.
- Provision for reservation of seats of public offices for SCs and STs and women.
- Addition of XII Schedule containing 18 functional items for the Municipalities.

After the passing of the 74th Amendment Act, all the states of union were to enact/amend their respective municipal acts. This work was accomplished by 1994. The urban local Government institutions in all states were organised in their new forms with effect from 1994.

Although, 74th Amendment of the constitution has granted sufficient autonomy to urban local government and those have been accorded constitutional status, these are not completely free from governmental control. The urban local government institutions work within the limits prescribed by the state Municipal Act which creates and governs them.