



REPORT
OF THE
HI MUNICIPAL ORGANISATION
ENQUIRY COMMITTEE

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REPORT OF THE DELHI MUNICIPAL ORGANISATION ENQUIRY COMMITTEE

CHAPTER I—INTRODUCTORY

Personnel of Committee.—The Delhi Municipal Organisation Enquiry Committee, consisting of the following Members, was appointed by the Government of India in December 1946:—

1. K. B. MIAN ABDUL AZIZ, C. B. E., *Chairman*.
 2. Sir SHRI RAM.
 3. Sir SOBHA SINGH, O.B.E.
 4. K. B. HABIBUR REHMAN, O.B.E.
 5. LALA DESHBANDHU GUPTA.
 6. Sir ARTHUR DEAN, C.I.E., M.C.
 7. Mr. J. C. ROBERTS, O.B.E.
 8. Mr. QADEER-UD-DIN AHMED.
 9. K. B. HAJI RASHID AHMED.
 10. Mrs. HANNAH SEN.
 11. Begum ANWAR ALI.
 12. CHUADHRI GORDHANDAS.
 13. Rai Bahadur SOHAN LAL, M.B.E.
 14. The Deputy Commissioner, Delhi.
 15. The Financial Adviser, Delhi Province.
- Mr. M. R. KOTHANDARAMAN, *Secretary*.

Mr. V. S. Mathur was appointed to the Committee in March, 1947, as a representative of Labour.

2. Terms of Reference.—The Terms of Reference were:—

I. To consider and make recommendations regarding the steps to be taken to obtain a greater degree of co-ordination in the administration of the local bodies in the Delhi urban area, namely, the Delhi Municipal Committee, the New Delhi Municipal Committee, the Civil Station Notified Area Committee, the West Delhi Notified Area Committee and the Fort Notified Area Committee, and in particular to consider whether it is desirable and practicable to amalgamate the existing units and constitute a single municipal administration.

II. If it is recommended that a new Municipal authority should be constituted, to consider and make recommendations—

(1) Whether (a) the Shahdara Municipal area and (b) the Mehrauli Notified Area should be included in the jurisdiction of the new authority;

(2) Whether any special administrative arrangements will be necessary for the area at present included in the New Delhi Municipality or any other area within the jurisdiction of the new authority;

(3) Whether, having regard to the fact that the new authority will not have the right to levy terminal tax on goods carried by railway under the provisions of section 143(2) of the Government of India Act, 1935, the new authority will have adequate financial resources, and, if not, how such resources should be provided.

III. If it is recommended that a new municipal authority should be constituted, to consider whether such authority should be a Corporation and to make recommendations in regard to

- (a) the constitution of the authority;
- (b) the qualifications of voters;
- (c) the nature of the main executive machinery and its duties and functions;
- (d) the qualifications required for the chief executive posts and the remuneration to be attached to them.

3. **Meetings of the Committee.**—In all 17 meetings of the Committee were held. There were also 24 meetings of Sub-Committee appointed to consider matters specially referred to them.

4. **Questionnaire.**—One Sub-Committee prepared a detailed questionnaire (Appendix I). This questionnaire was circulated to all local bodies in the Delhi urban area, Associations, Trade Unions, Labour organisations, political bodies and others. It was unfortunate, however, that the issue of the questionnaire synchronized with the publication of the Interim Central Government's Budget for 1947-48. Public interest was attracted to the Budget and the questionnaire failed to evoke much interest, with the result that only 39 written replies were received, including those from 6 out of 7 local bodies in the urban area.

5. **Oral Evidence.**—The Committee, therefore, decided that these written replies should be supplemented by oral evidence. Owing to the disturbed conditions resulting from the political situation the response to the invitation issued to prominent men and women and public bodies to assist the Committee with their views was not as good as was anticipated. The number of witnesses examined by a Sub-Committee appointed for the purpose was only 31. But the Committee are satisfied that the witnesses were fairly representative of opinion in the urban area; there were Municipal Commissioners, public men, representatives of commerce and trade, of the Provincial Congress and the Provincial Muslim League, of Government servants, Journalists, Labour and Women's organisations.

6. **Visit to Corporation Centres.**—At an early stage of our deliberations, we recognised that a study of the working of the various Corporations in India would be of the utmost value in formulating our own proposals regarding the municipal administration suited to the Delhi urban area. Accordingly, a Sub-Committee consisting of the Chairman, the Financial Adviser, Delhi Province, R. B. Sohan Lal and the Secretary visited Madras, Bombay, Calcutta, Karachi and Lahore and prepared detailed reports about each Corporation, its constitution, finances and administration. Sir Arthur Dean took the place of the Financial Adviser, Delhi Province, during the visit to Lahore.

7. The data collected during the course of their tour of the various Corporation centres by the Sub-Committee referred to above and the written and oral evidence furnished to the Committee provided sufficient material in the light of which it was possible by about July this year for the Committee to formulate their conclusions on the specific questions referred to them by Government for enquiry, but the imminence of a change in the

form and composition of the Central Government raised in the minds of some Members of the Committee a doubt whether Delhi would be retained as the Capital of India, whether it was not likely to become part of a bigger province comprising districts of the United Provinces and of Eastern Punjab, and whether in that event a portion of New Delhi might not be carved out as an enclave for the Union Centre. These doubts, it was thought, might be resolved either by the new Central Government or by the Indian Constituent Assembly which was expected to consider a constitution for Delhi. Accordingly, the Committee decided that there should be a sort of "standstill" for a short period. But when they met on the 25th August 1947, they did not find the situation any clearer. They, therefore, decided to continue with their work notwithstanding the fact that the Committee of the Constituent Assembly, set up to consider a constitution for Delhi, might conceivably recommend a Legislature combining both Legislative and municipal functions.

8. **Conclusions.**—Early in September, the Committee were able to reach conclusions on the main points contained in the Terms of Reference, but at this time disturbances on a large scale started in the city and further work became almost impossible for a few weeks on account of the complete absence of staff. In the middle of September, the Chairman also resigned as his services were urgently needed by the Government of Pakistan for the post of their Deputy High Commissioner in India. It was in these circumstances that this report had to be prepared.

9. **Acknowledgments.**—The Committee desire to tender their acknowledgments to the many public bodies and persons who have assisted them, some at short notice, with their views and suggestions. The Committee's grateful thanks are due to the Corporations of Madras, Bombay, Calcutta and Karachi, who provided the necessary facilities to their Sub-Committee which visited them early this year on a study tour. To the authorities of the New Delhi Municipal Committee and the Delhi Improvement Trust also the Committee wish to express their thanks for the many facilities so readily placed at their disposal. The Committee wish further to place on record their thanks to their Chairman and their appreciation of the untiring industry and ability of their Secretary in discharging his duties, particularly in connection with the drafting of this Report which had to be undertaken in the absence of the Chairman.

**CHAPTER II—THE EXISTING MUNICIPAL
GOVERNMENT MOSAIC**

10. As stated in our Terms of Reference we have to consider first the nature of municipal administration required for the area covered by the Delhi Municipal Committee, the New Delhi Municipal Committee, Notified Area Committee, Civil Station, West Delhi Notified Area Committee and the Notified Area Committee, Fort. The area and population included in the jurisdiction of these bodies are given below. Similar information is also added regarding Shahdara and Mehrauli, the question of whose inclusion in the jurisdiction of a single municipal authority has been discussed in Chapter IV.

Local Body	Area (in sq. miles)	Population (in lakhs 1941 Census)	Population (in lakhs, on the basis of rationing figures as on 1-4-1947)
Delhi Municipal Committee	6.70	5.22	8.89
New Delhi Municipal Committee	32.82	0.94	1.85
Notified Area Committee, Civil Station	8.86	0.18	0.28
West Delhi Notified Area Committee	3.45	..	0.10
Notified Area Committee, Fort	0.97	0.017	0.017
Shahdara	3.75	0.23	0.33
Mehrauli	1.55	0.06	0.08

11. **The Delhi Municipal Committee.**—Although Municipal Government undoubtedly obtained in Delhi before 1863 the municipal record begins with the Punjab Government Notification No. 2374, dated the 13th December, 1862, declaring Act XXVI of 1850, an Improvement of Towns Act, to be in force in Delhi and the first recorded meeting took place on 1st June 1863. In 1881 the Committee was of the 1st class and consisted of 21 members, all nominated, of whom 6 were officials and 15 non-officials. Under the Municipal Act of 1884 there were 24 seats, 12 of which were thrown open to election and 12 filled by nomination. At present, the Committee consists of 43 members, 34 of whom are elected through separate electorates, 7 nominated and 2 ex-officio. Till September, 1946, the President of the Committee was an official, the Deputy Commissioner of Delhi. The Committee now has a non-official President. The powers and functions of the Committee are those conferred on similar bodies under the Punjab Municipal Act, 1911 (Act III of 1911).

12. **The New Delhi Municipal Committee.**—In February, 1916, the New Capital Area was declared by the Chief Commissioner, Delhi, under Section 4(6) of the Punjab Municipal Act, 1911, to be a Municipality of the 2nd class and became known as the Raisina Municipality. The Committee was at first little more than a prosecuting agency but with the development of the new City, the Municipality's activities expanded, and the Central Government began to hand over control of branches of the administration which usually fall within the purview of the activities of a

Municipal Committee. In April, 1925, the Chief Commissioner, by a notification, "established" a Committee for the Municipality under Section 11 of the Punjab Municipal Act, 1911, with 10 members. At present, the Committee consists of 16 members, 9 of whom are nominated and 7 ex-officio, with an official President. As in the case of the Delhi Municipal Committee, the powers exercised by the Committee are those conferred upon such a body under the Punjab Municipal Act, 1911.

13. **The Notified Area Committee, Civil Station.**—This Committee was formed in 1913. Originally it consisted of 4 nominated members, excluding the President. The strength now is 9, of which 3, including the President, who is the Deputy Commissioner. Delhi, are members ex-officio, and 6 nominated, the members being appointed for 3 years. The Committee exercises powers and functions under the Punjab Municipal Act, 1911, but certain Sections of that Act have not been extended to the Committee. The Committee is permitted to delegate its powers in respect of many matters to the President, Secretary, and Medical Officer of Health.

14. **The West Delhi Notified Area Committee.**—This was constituted in 1943. It consists of 7 members, 3 of whom are nominated and 4 ex-officio, with an official President. The President is now non-official but nominated. The main object in setting up this Committee was to bring the Industrial Area of the Delhi Improvement Trust within some control so that factories which are established in that area could be exempted from payment of Terminal Tax on goods manufactured there and brought into Delhi. The Committee functions under the Punjab Municipal Act, 1911, except in regard to certain sections of that Act. It levies both House Tax and Terminal Tax.

15. **The Notified Area Committee, Fort.**—The Delhi Cantonment (Fort) ceased to be a Cantonment with effect from 1st May, 1924, and was constituted a Notified Area. The Committee consists of 4 members, all nominated, with the Deputy Commissioner as President.

16. **The Shahdara Municipal Committee.**—Shahdara was constituted as a Notified Area in 1916 under the Punjab Municipal Act, 1911. It was made a Municipality of the 2nd class from September, 1943. It consists of 10 members, 6 nominated and 4 elected, the President being an official. The electorate is joint but the distribution of wards is such that one Muslim would ordinarily be returned to the Committee. The main sources of income of the Committee are Terminal Tax, House Tax, Fees and Fines of Municipal Schools and sale of water.

17. **The Mehrauli Notified Area Committee.**—Mehrauli was declared in 1901 a Notified Area under the Punjab Municipal Act of 1911. It now has 9 members, 6 of whom are nominated and 3 ex-officio, with an official as President. The Committee exercises the powers conferred by the Punjab Municipal Act, 1911, except that certain Sections of that Act have not been applied.

CHAPTER III—BACKGROUND

18. **The Delhi Municipal Committee.**—The dissatisfaction that has found expression for a number of years arises from the management of municipal affairs that fall within the jurisdiction of the Delhi City Municipal Committee. This critical attitude towards the Municipal Committee, that till recently had an official President, is due to many causes. It began to be realised nearly 12 years ago that it is impossible to combine deliberative and executive functions with any pretensions to efficiency. Many thoughtful people began to suggest that the Committee's work should be confined to the imposition of taxes, the making of bye-laws, sanctioning of schemes for major works and so on, but that the administration of the Committee's decisions should be left to executive officers exercising powers defined by statute. It was at the same time felt that a change on these lines would be extremely contentious. The subject was carefully explored and matters came to a head when "a Review of the Finances of the Delhi Municipal Committee, 1937" contained the outspoken comment that deficiencies in revenues etc. were incurred "mainly because the richer classes of the population overwhelmingly represented in the Committee declined to tax themselves".

19. **The New Delhi Municipal Committee.**—The New Delhi Municipal Committee continues to be a purely nominated Committee. It received a gift of property worth Rs. 1,70,97,147, excluding cost of land and departmental charges. This estimate was made in May, 1935. Generous as this gift was it must be appreciated that it involved the Committee in substantial liabilities for maintenance of the fixed assets which had been constructed to a particularly high standard. It also involved the Committee in continuing to extend its services, roads, sewers etc. to the same high standard. With the formation of the Delhi Central Electric Power Authority one group of the fixed assets viz., the Central Electric Generating Station was transferred to that body. From its inception the New Delhi Municipal Committee has had grants-in-aid amounting to Rs. 47.02 lakhs. From the year 1938-39 to the end of the year 1945-46, it has had no grant-in-aid or subvention but has made a net profit of over Rs. 85 lakhs from distribution of electricity. The income from electricity supply now forms nearly 49.9 per cent. of the total income of the New Delhi Municipal Committee. It has to be noted that Government gave the distributing licence of their own free will and did so without fixing any period for the licence to run. This gift was presumably made for the specific purpose of enabling the New Delhi Municipal Committee to augment appreciably its income in order to reduce the Government's subvention, and still to maintain the very high standard of services which is obviously desirable everywhere and not least in the capital city.

20. There are no complaints against municipal working in New Delhi. In fact, the anxiety is that under new arrangements the standards hitherto observed should not be allowed to deteriorate.

21. **Mr. Asaf Ali's Resolution.**—After 1937 things moved quickly, and, in July, 1938, the consideration of the subject of municipal reform assumed a formal shape when the Chief Commissioner, Delhi, forwarded to the Government of India a copy of a resolution moved by Mr. Asaf Ali in the Delhi Municipal Committee. The resolution stated that it was the considered opinion of the Delhi Municipal Committee that the constitution under which it was functioning and the volume, the range and the nature of its activities as well as the high figure its revenue had reached demanded

a constitution that might enable it to discharge its steadily growing tas more efficiently.

22. Mr. Asaf Ali had made two alternative suggestions, namely:—

- (i) the establishment of a responsible Provincial Legislature with an elected cabinet in charge of the Province with the Chief Commissioner as its constitutional head to discharge Municipal functions as well as those pertaining to the Province as a whole or if this proposal was considered to be not a scheme of Local-Self-Government but of an autonomous Legislature and Government and that therefore the need for municipal bodies could not disappear,
- (ii) the adaptation of any of the enactments under which Corporations in the Presidency Towns were functioning or the enactment of a similar measure by the Central Government suitable to Delhi conditions.

23. In any case, it was urged, the immediate need of the situation was the wholesale and not piecemeal co-ordination of the common activities of all the three Municipal Committees under a common constitution. Such co-ordination of effort and functions, it was contended, was already evident in the constitution of—

- (i) The Delhi Joint Water and Sewage Board,
- (ii) The Joint Terminal Tax Committee, and
- (iii) The Delhi Central Electric Power Authority.

24. One result of the setting up of these bodies was that they had taken over the main functions of the three local bodies, Delhi, New Delhi, and Notified Area Committee (Civil Station), leaving the mass of resulting detail to the respective Committees to be worked out more or less arbitrarily "according to the pressure of such opinion as their discordant constituencies" might demand.

25. This gradual process of gathering up the main functional strands of the over-burdened Municipal Committees into separate ropes by which the Committees might be held together was not only open to objection but was also responsible for waste of energy and overlapping activity. The best course, therefore, was to adapt any of the enactments under which Corporation Towns of Presidencies were functioning or in the alternative for the Central Government to enact a suitable measure.

26. **Municipal reform overdue.**—The Chief Commissioner, Delhi, (then Mr. E. M. Jenkins), pointed out that while the demand for the establishment of a responsible legislature was not expected to be pressed seriously municipal reform was overdue.

27. The Government of India had already agreed that Municipal law in Delhi stood in need of reform and they accordingly suggested that the object could probably be achieved by amending the Punjab Municipal Act interpolating therein provisions of the Bombay and the Madras Acts. This, however, presented legal and practical difficulties. It was found that the Punjab Municipal Act could not be amended or repealed directly by a notification. It was possible to make additions to it but if its text was to be altered in any way, this could be done only either by the extension to Delhi of a Punjab Amending Act or by substantive central legislation.

28. **Amendment of the Punjab Municipal Act, 1911.**—The idea of amending the Punjab Municipal Act with additions from the Bombay and Madras Acts had, however, to be given up. The Punjab Act, it was found, left far too much to the full Committee and did not define with sufficient

precision the duties of the Committee's executive staff. Experience had shown that individual members were intensely interested in the administration of building bye-laws, in petty staff appointments and so on. The solution for this state of affairs, argued the Chief Commissioner, was a complete transfer of responsibility to the non-official element combined with the creation of an executive exercising clearly defined statutory powers. This could be achieved, it was thought, by the extension to Delhi of the Bombay Municipal Act, suitably modified.

29. Accordingly, the Chief Commissioner prepared the necessary draft law. He, however, made it clear that he was not in favour of the formation of a Corporation for more than one reason. In the first place, the New Delhi Municipal Committee and the Notified Area Committee (Civil Station), being deficit bodies, would be a burden on the finances of the Corporation; secondly, New Delhi was a Government Estate and Government could not possibly contemplate transferring it to a Municipal body largely representative of outside interests; and thirdly, all the nuisance of interference by members in the day-to-day administration of the Delhi Municipal Committee would be carried to the new body.

30. **Terminal Tax.**—Apart from these objections, the proposal to extend to Delhi the Bombay Act met with an insuperable legal obstacle in connection with the provisions of the Act relating to taxation. It was proposed that in Section 139 of the Bombay Act "Terminal Taxes" should be substituted for "Town Duties" and a new item added to widen the field of taxation. The law officers of the Government of India, however, advised that section 7 of the Delhi Laws Act did not admit of Section 139 of the Bombay Act being modified in its extension to Delhi in either of the two senses proposed, i.e.,

- (i) so as to substitute "Terminal Taxes" for "Town Duties" or
- (ii) so as to add an additional clause providing for the imposition of additional taxation not mentioned in Section 139 of the Bombay Act.

31. In the circumstances, the only possible solution of the difficulty appeared to be:—

- (i) Levy of "Town Duties" instead of Terminal Tax by the new Corporation or
- (ii) imposition and collection of the "Terminal Tax" on goods imported by rail by the Central Government and a grant by the Central Government to the Corporation equivalent to the net proceeds of "Terminal Tax" for a term of years.

32. But the second suggestion, even if feasible, could not, it was thought, be proceeded with. If proposals for the levy of "Terminal Tax" were brought before the Legislature the Government of India would almost certainly be compelled to bring in a Bill for the application of the Bombay Law instead of proceeding by notification, and such a course would not be possible because there was no time then to introduce legislation for amending the Delhi Municipal Law involving lengthy discussions.

33. Suggestion (1), therefore, remained, but the Government of India felt that even if by extension of the relevant sections of the City of Karachi Municipal Act the new Corporation of Delhi was enabled to impose the tax known in the Punjab as "octroi without refunds" in substitution for "Terminal Tax", substantial loss of income would result. They, therefore, came to the conclusion that it was not possible to apply either the Bombay Act or any other law and that it would be necessary to drop the proposal for revision of the Delhi Municipal law unless the anticipated loss in

income by the disappearance of the "Terminal Tax" in Delhi could be covered by increase of rates and imposition of other taxation.

34. The Chief Commissioner further examined the position and came to the conclusion that loss in income consequent upon the substitution of "Octroi without refunds" for "Terminal Tax" could not be covered by any increase in rates and by the imposition of other taxes, and that while the only-important alternative source of revenue, viz., the House Tax, which was then levied at Rs. 3-2-0 per cent. of annual value yielding approximately Rs. 3.75 lakhs per annum could be doubled, the change would be extremely contentious and that, in any case, the Delhi Municipal Committee would have to raise additional revenue to meet current commitments.

35. **Proposal for revision of Delhi Municipal Law dropped.**—In the circumstances the Chief Commissioner advised that the proposal for the revision of the Delhi Municipal Law must be dropped, and the Government of India agreed to allow the proposal to be postponed until they were in a position to bring forward legislation in the Central Legislature.

36 It has only to be added that though Mr. Asaf Ali's resolution was moved in the Delhi Municipal Committee, and its consideration was made over to a Sub-Committee, the Delhi Municipal Committee came to no definite conclusion on the subject.

37. World War II came towards the end of 1939 and the subject was again taken up only towards the end of 1946, when the Delhi Municipal Organisation Enquiry Committee was appointed with the Terms of Reference mentioned in Chapter I.

**CHAPTER IV—PROBLEMS AND PRINCIPLES—
CO-ORDINATION AND AMALGAMATION**

38. **Problems of Delhi are different from those of Presidency Towns.**—The problems of municipal Government in the Delhi urban area are not the same as those of the Presidency Towns in India before they evolved into Corporations; in a sense they are unique. The Municipal Government mosaic in the Delhi area consists of local bodies differently constituted and in different stages of growth. One of them, the New Delhi Municipal Committee, has jurisdiction over an area in which are situated the Indian Union Government and its offices, the Dominion Legislature and the Government House, and this area has so far been regarded as a sort of Government Estate. A recognition of the special requirements of this area is called for. This makes it somewhat difficult to attempt any logical treatment of the problems of the urban area as a whole.

39. We can, however, aim only at what is practicable, considering all the circumstances. Nevertheless, we feel that any solution proposed must satisfy some principles which may well be regarded as fundamental in municipal administration. We have held them as our guide in the consideration of the various aspects of our enquiry. We would state those principles as follows.

40. **Some General Principles.**—1. The fundamental idea behind the system of municipal Government by locally elected bodies is that, in a democracy, this system, by stimulating vigorous life in the community and encouraging the citizen in the exercise of his rights as a member of the democracy, brings a sense of self-government to the people, and so nourishes the supreme Legislature of the nation itself. In short, municipal government is democracy on the door step.

2. Unless Municipal Government can retain local interest and support, it must fail.

3. The main feature of local-self government is the power given to municipal bodies to impose local taxes upon the inhabitants of the areas under their jurisdiction. It follows that within the limits of its resources and opportunities a municipal authority has to aim at securing to the citizens, at a cost within their competence, the means of leading a life of reasonable comfort in healthy surroundings.

4. The present ready acceptance of municipal laws as they are has to be transformed into something living so that present apathy may ultimately ripen into civic enthusiasm. Experience indicates that a large, compact municipal government unit succeeds in bringing about a beneficial spreading of financial burdens. Further, in such a compact area there should be only one accepted policy for any municipal service to avoid overlapping and waste.

5. The essence of a sound administrative system is that the administration of the local services is not interfered with by individual councillors. The bye-laws framed by the representatives of the people should be applied without fear or favour by the Executive.

6. Administration is a science, especially the public administration of large cities. The administrator must make it his creed to serve the public without appearing to govern.

7. Municipal Government must be ready to demonstrate that it can organise and administer efficiently, else it will be powerless to resist the demands for the creation of a separate authority for each municipal service.

41. The extent to which these principles find expression in the arrangements proposed by us, will, in our opinion, be the measure of their success.

42. **Co-ordination necessary.**—As already stated, there has been persistent and continuous demand for a number of years from the public of Delhi that the three local bodies, the Delhi Municipal Committee, the New Delhi Municipal Committee and the Notified Area Committee, Civil Station, should be amalgamated. The area and population served by these bodies are so small that efficiency in one and economy in all have suffered as a result of individual efforts to maintain the necessary municipal services. Activities have overlapped and there has been duplication of posts, offices, correspondence, accounts, supervision, etc. The advantages of co-ordinated municipal activity, particularly in the sphere of health, education, water supply, public works and electricity supply have become so obvious that overwhelming support has been given to the idea of co-ordination of municipal services in the Delhi urban area. That such co-ordination is also likely to facilitate the provision of superior direction of essential services, and bring about in some measure certain important economies, is a factor of which note has been taken.

43. **Machinery of Co-ordination.**—It is with regard to the method and the machinery to be employed to achieve the result, however, that there is divergency of view. It is contended that, though the existing municipal units in the Delhi urban area have not been working satisfactorily and have left a great deal to be desired, they are capable of performing useful functions within limits and that all that is necessary is to set up a superior authority which would co-ordinate and carry out certain common services. This body would administer subjects of common interest, for example, disposal of storm and sullage water, disposal of refuse, supply of filtered water and of electricity, passenger transport, collection of taxes, health and allied measures, medical and educational services, including primary and higher secondary schools, maintenance of roads, etc. Indeed, it has been suggested that when this body has been established it should not matter, and it might in fact be desirable, if, for administrative convenience and the satisfaction of immediate local needs, the existing number of local bodies was increased.

44. **Two-tier Authority.**—The idea of a two-tier authority is nothing new. It derives its inspiration from the successful working of the London County Council. That Council illustrates certain principles which, it has suggested, can be applied to Delhi. These are:—

- (i) that the primary units of administration through elected bodies should be of a size that permits the common man through his representatives, elected on the widest possible franchise, to exercise control as regards policy in respect of local matters which affect his every day existence, and
- (ii) that matters of common concern are by common consent dealt with by an administrative unit large enough to engage staff of a calibre to manage them efficiently and economically

45. In short, the board principle, in its application to Delhi, underlying the distribution of powers and duties between what might be called the Delhi City Council and the various municipal units would be that all powers and duties which would require uniformity of action throughout the whole of the Delhi urban area would be administered by the Council and those that could be locally managed would be vested in the discretion of the units.

46. The two-tier arrangement has attracted many who believe that in several respects the present system in Delhi is not designed to tackle effectively problems of municipal administration. But there are also many witnesses to whom it has not appealed; and these include several who have had experience as Municipal Commissioners. The reason is not because this is a novel experiment so far as India is concerned; it is the fear that the superimposed central organisation will be what may be called democracy at one place, i.e., the central authority will be so far removed from the people that loss of interest in its working is likely, weakening thereby the basis of the successful functioning of municipal Government and creating conflict. We think that this is a not unjustified objection. Public interest is the indispensable foundation of successful local self-government. We are, therefore, disposed to the view that having regard to the history of local bodies in Delhi, an arrangement which would have the effect of confusing and weakening that interest could not be supported. To an extent, the existing *ad hoc* authorities like the Delhi Improvement Trust, the Delhi Central Electric Power Authority and Delhi Joint Water and Sewage Board, will have this effect. But, their continuance in a modified form is generally agreed to—Chapter VIII—both in order to avoid any large departure from existing arrangements and because they have, from the point of view of efficiency and economy, worked well. There should not, however, be any considerable extension of this arrangement if democracy is to be properly served. The central organisation will, under proposals made to us, consist of members elected by the existing local bodies or more of them, and the citizens of the Delhi urban area will be represented indirectly. This would not be desirable.

47. **Area of Single Municipal Authority.**—Nor is the area for which we are considering a constitution so big that one might be justified in regarding singleness of authority for all municipal purposes as impracticable, or undesirable. The Delhi urban area, excluding Shahdara and Mehrauli, covers roughly 50 sq. miles. This compares closely with Karachi which has 62 sq. miles and Madras (including recent extensions) 50 sq. miles. The local community in the Delhi urban area is well marked and the size of the area will not produce a deterioration of local interest.

48. **Advantages of amalgamation.**—The inclusion of Shahdara and Mehrauli within the jurisdiction of the proposed Corporation for reasons explained, which we are recommending in later paragraphs, will, of course, affect the compactness of the community to be served. Even so, it appears to the Committee, the advantages of amalgamation far outweigh any disadvantages. New Delhi and Old Delhi have now coalesced to such an extent that unified control is imperative. Thousands of workers in New Delhi are housed in Old Delhi and the urban area instead of being composed of two separately identifiable blocks is evolving into a Greater Delhi. It is, therefore, clear that the responsibility of administering municipal services over this area cannot adequately be discharged except through a single municipal authority. The desire for amalgamation which has found strong expression among witnesses also arises out of the consciousness that even though the area served by the New Delhi Municipal Committee is happy and prosperous and the residents of the Notified Area, Civil Station, are indifferent, the existence in between of an unsatisfactorily administered unit is an anomaly. It is anticipated that the amalgamation of the existing units and their constitution into a single Municipal administration will attract a better class to offer themselves for selection as councillors. It should also result in the entertainment of a better knit staff, with better superior direction, and at the same time produce economies resulting from the pooling of the resources of the existing units.

Last, but by no means least, is the greater prestige which will attach to an authority embracing the whole area.

49. **Ability to assimilate new tasks.**—We have also considered the question of amalgamation from the point of view of the new authority's ability to assimilate new tasks. We contemplate a structure which should be sufficiently flexible to withstand the impact of new demands. Many, if not all, of the requirements which the citizens makes upon municipal administrative services form an economic complex. The citizen wants one service with another and each related to the other, and it is desirable that one agency should supply all, if only for the reason that this is usually the more economical. Efficiency alone, however, cannot be the determining consideration in the sphere of local public service, though we are confident that the new structure should not lack in efficiency either. We are convinced that responsiveness to the citizens' needs and the minimum efficiency compatible with standards or methods laid down should be obtainable in a 'compendious' municipal authority which will exercise a variety of functions except those in a limited sphere allotted to *ad hoc* authorities. This municipal authority should, we consider, take the form of a Corporation, somewhat on the lines of the Corporations of Madras, Bombay and Karachi. We have no doubt that the constitution we propose for this Corporation will have the required degree of elasticity, resource, economy and responsiveness to public needs, springing from a concentration of many-sided activity under unified control.

50. **Blending of urban and rural areas.**—We are aware that the type of organisation which we are recommending can produce the best results only in an area of uniform urban development. The suggestion made by a large number of witnesses for the inclusion of Shahdara and Mehrauli, which are essentially semi-rural areas, therefore, seriously complicates the position. It is not desirable to blend urban and rural communities in administrative tasks. There are diversities of interests and of outlook. Further, in the case of Shahdara and Mehrauli, their inclusion will bring unwieldy, distant and undeveloped areas under a single authority. It is notorious that, apart from other difficulties, the main stumbling block in the way of a sufficiently high standard of service in the areas now administered by the Delhi Municipal Committee is finance. To bring Shahdara and Mehrauli, within the jurisdiction of the proposed Corporation, therefore, would be to take on a liability to bring these areas upto the average standard when the obvious first duty of the new Corporation should be to improve services in the existing areas. Further, this might well be beyond the financial resources of the Corporation. To keep Mehrauli and Shahdara as they are would mean the provision side by side within the same municipal area of different standards of services as there can be no formula for uniform expenditure in urban and rural places. This would lead to dissatisfaction and discontentment in the areas concerned. Also, there is a genuine fear that the existing high standard of services obtaining in New Delhi might be lowered if any attempt were made to improve the standard of services elsewhere with the existing financial resources. It has, therefore, been suggested that Shahdara and Mehrauli could be taken over by the new Corporation as and when financial conditions improve and that, meanwhile, the Provincial Government might develop them to a level at which they would be sufficiently urbanised to form a not incongruous part of the whole area.

51. Another view is that the rural belt between Delhi proper and Shahdara which is not built over, and a substantial portion of which is flooded during the monsoon, involves transport difficulties caused in part by the absence of a second bridge over the Jumna and the need of training that river which make Shahdara an unsuitable area for inclusion in the jurisdiction of the Corporation. But Mehrauli, it is considered, presents less difficulties of this nature apart from its semi-rural character, and its inclusion would be advantageous.

52. **Inclusion of Shahdara and Mehrauli desirable.**—The objections to the inclusion of Shahdara and Mehrauli in the jurisdiction of the new Corporation are weighty. There are, however, certain considerations, which, in our opinion, make it desirable and indeed necessary that Shahdara and Mehrauli, together with the vacant land within a certain distance round about them, should be included. The pressure of population on the available space in both Delhi and New Delhi is so great that purely from the public health point of view an outlet must be provided without delay, and the recent and continuing influx of refugee population, a large part of which would in all probability continue to make the Delhi urban area their permanent home, only emphasises the urgency of this solution. Further, the certain growth of the Delhi urban area has to be taken into account. In the normal course areas would have to be acquired round about Delhi to absorb the growing population and for other purposes. It would, therefore, be wise to anticipate it and provide for it even now in order that orderly development may be secured. Objections based on financial considerations cannot be lightly dismissed, but the Committee see no reason why on principle the areas concerned, that is, Shahdara and Mehrauli, should not provide part of the expenditure required. This they should be able to do not from their existing meagre resources but through a Betterment Tax. With the inclusion of Shahdara and Mehrauli in the Corporation area, the value of land in and around these places should appreciate greatly, and the tax suggested should produce a substantial revenue. Conceivably, the income from this tax alone might not be sufficient to provide the money required to finance the necessary development projects or services intended exclusively for the benefit of the two areas. In that case, we contemplate that the rate of progress in the provision of civic services and amenities for those areas should be adjusted to the availability of funds. We wish to make it clear, however, that under no circumstances should Shahdara and Mehrauli be allowed to be a drag on the rest of the Delhi urban area; indeed, no part should act as a brake on any other part, and all should be brought to the standard of the highest.

53. **Amalgamation of Local Bodies into a Corporation.**—The existing local bodies, then, which will have to be amalgamated into a Corporation are (1) the Delhi Municipal Committee, (2) the New Delhi Municipal Committee, (3) the Notified Area Committee, Civil Station, (4) the West Delhi Notified Area Committee, (5) Shahdara and (6) Mehrauli. We do not recommend the inclusion of the Fort area as the military authorities consider that for military reasons it should remain under their administration as at present. We think, however, that the limits of the area should be suitably defined by the Provincial Government.

CHAPTER V—THE CONSTITUTION

54. In our consideration of the question of the sort of constitutional structure suitable to the municipal government of Delhi we have greatly profited by a study of the constitutions of the Corporations of Madras Bombay, Calcutta and Karachi and by personal discussion at the Corporation centres with officers of these Corporations about the actual working of the Corporations, with particular reference to the executive machinery required to carry out the purposes of their constitutions. No one Corporation furnishes a complete model for Delhi, nor is there any form for Corporation law. But we have no doubt that the basic structure of the premier Corporations which has stood the test of time and has not revealed any grave defects should do well for Delhi. Variations will, of course, be required to be made, necessitated by the present stage of development of municipal administration in Delhi and by the special requirements of the city in which is situated the Capital of India.

55. **The Corporation.**—We recommend that a single Municipal authority should be constituted in the Delhi urban area in supersession of all the existing municipal bodies except the Notified Area Committee, Fort, viz., the Delhi Municipal Committee, New Delhi Municipal Committee, Notified Area Committee, Civil Station, West Delhi Notified Area Committee, Shahdara Municipal Committee and the Mehrauli Notified Area Committee, and it should be a Corporation, to be known as the Delhi Municipal Corporation, consisting of

- (a) A council,
- (b) Standing and other Committees of the Council, and
- (c) A Chief Executive Officer.

56. It is our intention that each of these authorities should exercise its powers and functions in a distinct and well defined sphere of its own and more or less independent of others. The existence of these somewhat mutually exclusive authorities might on occasion make considerable demand on the personal equation, but we have been so much impressed by the results produced over a long period of years by the Bombay Corporation, of whose constitution the cardinal features are the triangular structure suggested above and the separation of powers as between the principal authorities, that we do not hesitate to recommend the adoption of a structure on similar lines for Delhi. We have no doubt that if the various authorities of the Corporation appreciate the limits within which each is expected to function optimum results should be obtainable.

57. **Strength of the Council.**—Various suggestions have been made regarding the strength of the Council. They range from sixty to hundred members, based on population. The Bombay and Calcutta Corporations consist of 106 and 71 members elected by territorial constituencies; Madras, under the Amending Act passed by the Provincial Legislature in April, 1947, will have 66 such members and Karachi 65. Obviously, the area included in the jurisdiction of the Corporation cannot be the basis, as, in that case, Calcutta, with its 29 square miles, should have the least number of members, and Karachi, with its 62 square miles, the largest number. Madras furnishes the nearest parallel to Delhi, both in respect of area and population, and it would appear that there about 18,000 of the population is represented by one councillor. We consider that the Delhi Municipal Corporation should consist of as many territorial seats, including all communities for whom representation is suggested, as the population of the entire Delhi urban area would warrant on the basis of one seat for every 15 to 20,000 of the population (constituencies being demarcated according

to the suitability of the physical boundaries of the area). This should give one seat to every 8 to 10,000 voters. The population of the Delhi urban area, including Shahdara and Mehrauli, according to the 1941 census is 6,64,000. But there is no doubt that it has now passed the one million mark, not including the large number of refugees. We had endeavoured to obtain a truer picture from the Rationing authorities, but it was discovered that there was the problem of a very large number of bogus ration cards. In the circumstances, we have assumed, for purposes of our enquiry, 1,100,000 as the present population of Delhi (excluding refugees who have poured into Delhi during the last few months), a rather conservative estimate. On this basis the Council proposed should consist of between 55 to 73 members, not including those representing special interests and Aldermen. Further, it is our intention that regardless of the population figures, Mehrauli and Shahdara should each have 1 and 2 seats respectively on the Corporation. We also suggest that there should be an automatic procedure for the adjustment and redistribution of the number of seats allotted to particular areas in the light of changes in population figures as revealed by the periodic census.

58. **Representation of special interests.**—We have also considered the question of councillors other than those who are elected from territorial constituencies. There have been a number of claims for special representation from public bodies and particular interests, including Teachers' Associations composed largely of Primary and Secondary School Teachers, and Doctors, Hakims, and Vaidis. We observe that provision for the representation of special interests exists in Madras for Labour, Commerce and Trade, the University and the Madras Port Trust; in Bombay, for Commerce, Millowners, Labour, University and the Port Trust; in Calcutta, for Labour, Trade and Commerce and Port Trust; and in Karachi, for Commerce and Trade, Port Trust and Labour. (Appendix II). Of all those who have expressed their views on this question only a small number are against the grant of special representation to any class of people. Their view is that the introduction of universal adult franchise recommended elsewhere should enable all classes of the population to be represented, and to permit special representation to some interests would in effect mean the grant of the privilege of a double vote to some sections of the community. As against this it is urged that the present social organisation is such that it will not be possible for territorial constituencies alone to return men and women to the Council who will be representative of all interests and that there will still be left over groups and interests who, though important, will fail to be represented because of lack of organisation.

59. After careful consideration, we feel that it is too early yet to break away altogether from existing practice elsewhere and that there is justification for the argument that certain interests should be given direct representation. We are agreed, therefore, that Commerce, Industry, University, and Labour should be represented on the Corporation, the first three by one member each and the last by two members.

60. **Nomination by Government.**—Another class of councillor whom we have to consider is that secured by nomination by Government. The system of nomination has been regarded all over India both in Municipal Councils and in Provincial and Central Legislatures as a corrective of the vagaries of elections and as tending to secure the representation of interests which would otherwise go unrepresented, particularly of minorities and backward communities. So far as the Corporations in India are concerned, the position is that until recently the Government of Madras was empowered to appoint to the Madras Corporation not more than three persons having special knowledge and experience of any subject relating to municipal

administration but without the right of voting. The Amending Act of April, 1947, has omitted this provision so that there will shortly be no nominated members. In Bombay, there is statutory provision for the appointment by Government of three ex-officio members of the Corporation, viz., the Police Commissioner, the Executive Engineer, Presidency Division, Public Works Department and the Chairman of the Board of Trustees of the Port of Bombay. In Calcutta, the Provincial Government have the power to appoint eight members, of whom three shall be members of the Scheduled Castes, the remainder being intended to secure the representation of such minorities as are not sufficiently represented by elected councillors, and if necessary, at least one councillor to represent the interests of Labour and also otherwise to secure the association in the municipal administration of persons specially fitted for appointment as councillors. At present, Karachi is the only Corporation where there are no nominated members.

61. Special requirements of New Delhi.—We are agreed that, whatever may have been the justification in the past, the system of nomination no longer accords with democratic practice or trend of modern thought, but nevertheless feel that nomination as a principle has still its uses in a place like Delhi. It is well known that New Delhi is more or less a Government Estate and the Union Government have large interests in this area. Apart from that, as the seat of that Government Government's interests, in particular in the public health and engineering aspects of municipal administration, may be regarded as vital and legitimate. Indeed, there has been marked support from influential and representative witnesses to the view that Government should have the power to nominate from 5 to 10 members on the new Corporation because, apart from the need for protecting the vital interests of Government in New Delhi, it was felt that the nominees of the Government would, if the New Delhi Municipal Committee is an example, be generally those whose knowledge and experience would be of value to the Corporation. In any case, it was felt that the number was so small that the essentially democratic character of the Corporation would not be vitiated. It has also to be remembered, it has been urged, that nomination would be by a 'representative' Government and as such nomination may well be regarded as a sort of co-option. We agree, but would suggest that the number up to which Government may nominate should not exceed 5. We expect that generally Government's nominees will be officials, but where they are not, and non-official are chosen, it is our view that no one should be nominated who has faced an electoral contest for a seat in the Corporation and has failed.

62. Representation from the Imperial Secretariat Association.—In this connection we should perhaps refer to a representation received from the Imperial Secretariat Association, and supported in person by their President, Mr. M. V. H. Collins. He has expressed the fear of the Association that it may not be possible for Government servants who form the bulk of the population in New Delhi to elect their own representatives, i.e., from among their own ranks on account of the Government Servants' Conduct Rules. This, he has contended, would be giving with one hand and taking away with the other. A large number of Government Servants in New Delhi are voters at elections to the two Houses of the Central Legislature. But they do not have municipal franchise as the New Delhi Municipal Committee is a completely nominated body. Now that these persons will have municipal franchise the Imperial Secretariat Association urge that they should be enabled to vote for men from among their number who, they think would represent their interests properly. This, however, would not, they feel, be possible under the Government Servants' Conduct Rules. They refer, however, to the New Delhi Municipal Committee

where officials are members and exercise the full rights of members of that body. They have, therefore, asked that the Committee should consider the position and recommend an amendment to the relevant Rules, if necessary, as otherwise they would be voting only for a sort of carpet-bagger in New Delhi.

63 We are in sympathy with the views put forward by the Imperial Secretariat Association, but we do not know to what extent it would be practicable for Government to amend the Rules if they have prohibited Government Servants from taking any part in elections to municipal bodies except voting. We have no doubt that there must be sound reasons for this practice, and should Government still consider that they cannot permit a departure from this practice we would suggest for consideration whether a part of the quota of members fixed for Government nomination may not be utilised by the Imperial Secretariat Association. The Imperial Secretariat Association could suggest names of their representatives for nomination by Government.

64. **Aldermen.**—There has been overwhelming support to the suggestion that the Delhi Municipal Corporation should have Aldermen among its councillors. The little opposition that there is is mainly on principle. The institution of Aldermen is regarded as a curious feature to find in a democratic system of municipal Government. The fact that the office is not one of great consequence but one of unquestioned prestige strengthens, if anything, the criticism on grounds of principle. It confers an immunity from the rough-and-tumble of politics for a fairly long period, and this, taken in conjunction with the fact that it is felt to be indirect election, stamps it with an undemocratic character. One of the arguments in favour of the proposal is that it enables the Corporation to avail themselves of the services of men and women of the community who would not ordinarily face the hurly-burly of election. On the other hand, the question is asked why men and women who are likely to be useful and are otherwise influential in the community by virtue of their record of work and service should not seek the suffrage of the people openly in elections.

65 We are not greatly impressed by arguments adduced on the plane of principle. We have been favourably impressed by the success which has attended the system of Aldermen in Calcutta and Madras. We have been assured that but for this method the services of some of the most distinguished Mayors of Calcutta would not have been available to the Corporation, and we are certain that if such men are not available to a Corporation, the loss would be the Corporation's. In the present stage of development of municipal institutions in Delhi we consider it very desirable that an infant Corporation should be strengthened by this element, and we have no doubt that in due course the usefulness of this institution would be widely recognised. We accordingly recommend that provision should be made in the constitution for election by the whole body of Councillors, elected and nominated of 5 Aldermen. Aldermen should, however, not be persons who have stood for election and have been defeated.

66. **Composition of Council.**—The Council then will consist of 55 to 73 elected members, 2 representatives of Labour, 1 each of Commerce, Industry and of the University, 5 nominated by Government and 5 Aldermen, of whom at least one shall be a woman.

67. **Term of Councillors.**—Everywhere in India the term of Councillors of the Corporation is three years. Our enquiries at Corporation centres showed, however, that opinion is slowly moving in favour of a longer period. The arguments are simple. As soon as elections to the Corporation are over, the best part of the first year is taken up with the resolution of the usual party or group or personal claims and ambitions involved in

election to the various offices of the Corporations Mayors, Deputy Mayors, membership of Standing Committees, etc., with the result that if any group or party has any programme of work which it has promised the electorate to carry out it scarcely gets under way before the end of the first year. From the beginning of the third year, attention is directed to the coming elections and interest in municipal work generally languishes. The second year is, therefore, all the time left to a councillor in which to do solid work. This, however, is too short, apart from the fact that he may have promised his electors too much. We realise that with the very general short term of three years the members of a Municipal body cannot be greatly blamed, if they are unable to accomplish much.

68. A longer term, therefore, is definitely indicated and we have considered whether it should be a four or five year term. Five years would, we think, separate the councillors from the electorate far too long. We suggest, therefore, a four-year term for the Delhi Municipal Corporation. Should, after two or three terms of work, the four-year period be found to be as unsatisfactory as the three-year period, there would be time enough to reconsider the matter.

69. **Qualifications of voters.**—There is overwhelming support to the view that all adults of 21 years of age and above should be eligible to vote. Those who do not subscribe to this view consider that in view of the great illiteracy that prevails in this country, it would not be wise to enfranchise persons who do not know how to read and write. Education, it is argued, is the indispensable basis of enlightened participation by a citizen in the activities of democratic Government. Some would continue the qualifications now prescribed for a voter in the Delhi Municipal area. We do not agree. If adult franchise is good enough for elections to the Provincial and Federal Legislature under the new Constitution, there can be no possible objection to its introduction in the Delhi urban area for elections to the proposed Corporation. We have no doubt that the average voter for the Corporation knows what he wants in so far as the services for which the Municipal administration is responsible are concerned, and he can, we think, be trusted to exercise his vote properly.

70. **Qualifications of Candidates.**—Some of the objections mentioned above have been repeated and, in addition, enhanced property qualifications have been suggested for a candidate. On the other hand, it has been proposed that every one who is a voter should be eligible to be a candidate. These are extreme views and we would like to distinguish between an illiterate voter and an illiterate candidate. The latter cannot be expected to perform the functions of a Municipal Councillor unless he is able to follow the proceedings of the Council, whatever be the language in which they are conducted. It seems hardly necessary to labour the point further, and we are agreed that a candidate for election to the Corporation must at least be a matriculate or must have an equivalent educational qualification. This, however, we feel, should not apply to Aldermen. The class of citizens from whom Aldermen will be chosen will be those who are already well known in the public life of the city and it would be unnecessary and purposeless to require them to possess any minimum educational qualifications. A higher property qualification than that which is now prescribed for candidates in the Delhi Municipal area has been suggested, but we are of the opinion that to continue any qualifications based on property would be indefensible. We recommend, therefore, that every candidate should have attained 25 years of age and have resided in the Municipal area comprised within the jurisdiction of the Corporation for at least one year and must at least be a matriculate or must have an equivalent educational qualification.

71. Disqualifications.—As regards disqualifications of candidates, we commend that these should be what are generally prescribed in the existing constitutions of Corporations in India, for instance, unsound mind, insolvency, sentence by a criminal court for offences involving moral turpitude, etc. This will apply also to Aldermen.

72. Compulsory Voting.—In this connection, we have considered the question whether persons eligible to vote should be compelled to vote. The suggestion has been made that if such an advanced country as Australia could have such a provision in their State constitutions there is no reason why in a country like India, where the percentage of voting is not high, we should not, through legal provisions, remind voters of their duty to the city in which they live. We have reason to believe that this compulsion has been very successful in Australia and that it has not evoked resentment or opposition. But we consider that it would be a novel experiment in this country and not likely to be welcomed at any rate, it seems to be too early to think of it here.

73. Formation of Constituencies.—Several witnesses have drawn our attention to the haphazard way in which Wards have been formed in the Delhi Municipal Committee area. There are Wards where a Councillor is returned by over twenty thousand voters; there are also Wards where less than half that number is sufficient. The position in other Corporations in territorial constituencies is about the same, Calcutta furnishing glaring examples of wide disparity, and we fear that the ideal of electoral areas approximately equal in size and population is not likely to be attained, chiefly because the jurisdiction of the Corporation will extend over urban and semi-rural areas, the former being far more thickly populated than the latter. However, we propose that single-member constituencies should be formed and every effort should be made in the desired direction.

74. Joint Versus Separate Electorate.—Opinion among those persons and public bodies who sent in written memoranda in reply to the questionnaire issued by the Committee reflected, in miniature, opinion in the country on the question of joint versus separate electorate, and the Committee anticipated some difficulty in reconciling divergent points of view. Most of the Muslim witnesses were frankly in favour of continuation of the existing arrangement in the Delhi Municipal area under which the Hindus and Muslims are represented through separate electorates. Most of the public bodies have equally strongly held the view that separate electorates would be harmful and that it should be replaced by joint electorates with reservation of seats for minorities on population basis. The June 3rd statement of His Majesty's Government in the United Kingdom, dividing India into the two Dominions of Pakistan and India, however, quickly brought about a change in representative Muslim opinion placed before the Committee in the course of oral evidence, and it became clear that agreement was likely on the basis of joint electorate with reservation of seats for minorities.

75. Reservation of Seats.—It has, however, been proposed by a large number of those who have expressed an opinion on this subject that this reservation cannot be for an indefinite period. Following the decision of the Indian Constituent Assembly, therefore, it has been suggested that it should be for a period of two or three terms or 10 years. We are unanimously agreed that in the changed circumstances in which we find ourselves, both in Delhi and elsewhere, we should, for the purpose of election to the Delhi Municipal Corporation, follow the decision of the Indian Constituent Assembly. Accordingly, a system of joint electorates should operate for a period of 10 years and minorities should have their seats reserved on a population basis. It is not, however, clear from the

decision of the Constituent Assembly whether the system of reservation will automatically come to an end at the end of the 10 year period or whether the position will be reviewed. We agree, however, that whatever be the decision of the Constituent Assembly on this point, it should be applicable to the Delhi Municipal Corporation. We have also decided that the reservation of seats should be made, as in the Madras Corporation for scheduled castes, in those wards in which the minorities concerned mainly reside. Which these wards should be would be for the authorities of the Corporation to consider and decide. The minorities that need be considered for this purpose are those that are recognized as such by the Constituent Assembly.

76. Representation of Women.—Women representatives are opposed to the formation of any special constituencies for them or reservation of any seats, for they feel that once reservation is introduced, for whatever reasons of expediency, it would not be easy to dispense with it at a later stage. Vested interests would be created, and it would be difficult to deal with them. Only in the last resort, and as a necessary evil, would they agree to reservation for a limited term, say, not exceeding 10 years or for a period of two elections. Returning women members through joint constituencies where only women could vote, could, it was suggested to them, be another method of ensuring their representation. But this was not favoured as that would, in their opinion, be another method of reservation of seats. They have suggested that a better method of getting women elected to the Corporation would be to adopt the system of plural member constituencies with cumulative voting. We do not, therefore, desire to force a system of representation on them to which they, on principle, are opposed.

77. Proportional Representation and Bloc Voting.—The Communist Party of India have suggested that the method of election through joint electorates might be through proportional representation by means of the single transferable vote or bloc voting after the French model, the *Scrutin-de-List*. We are aware that even in highly intelligent electorates like Universities and Legislatures, the system of single transferable vote has not been found easy to operate. There can, therefore, be no question, whatever be its merits in securing a fair representation of the different interests in a community, of adopting it for the purpose of municipal elections in Delhi. The bloc system of voting might be more popular and produce good results, but we feel that there is no sufficient justification, in the circumstances of Delhi, for any departure from the well known and tried method of direct voting.

78. As regards Special Constituencies, so far as University representation is concerned, the practice in places where such representation is accorded is for the Senate or Fellows of the University to elect a member to the Corporation. On this analogy the Court of the Delhi University would be the appropriate body for the purpose of sending a member to the Delhi Municipal Corporation on behalf of the Delhi University.

79 We propose that election to fill the two seats allotted to Labour should be from two constituencies, one consisting of voters representing Union labour and the other of non-Union Labour.

80 Obligatory Functions of the Council.—The following shall be the obligatory functions of the Council:—

- (1) Drains (including flushing and cleansing)
- (2) Erection of water closets, urinals
- (3) Disposal of sewage.

- (4) Watering and scavenging of public streets.
 - (5) Municipal water works.
 - (6) Reclamation of unhealthy localities.
 - (7) Regulation of places for the disposal of the dead.
 - (8) Registration of births and deaths.
 - (9) Vaccination and inoculation.
 - (10) Prevention of disease.
 - (11) Markets.
 - (12) Rest houses.
 - (13) Slaughter houses.
 - (14) Regulation of offensive and dangerous trades.
 - (15) Maintenance of fire brigades.
 - (16) To deal with damage to property or damage to human or animal life.
 - (17) Dangerous buildings and places.
 - (18) Surfacing roads, and constructing public bridges.
 - (19) Lighting of public streets, etc.
 - (20) Removal of obstructions.
 - (21) Naming of streets.
 - (22) Construction of offices, public monuments and care of the property vested in the Corporation.
 - (23) Provision of hospitals, dispensaries and welfare centres.
 - (24) Provision of asylums for lunatics and pauper lepers.
 - (25) Maintenance of public parks, gardens, etc.
 - (26) Provision of schools.
81. **Permissive Functions.**—The following are permissive functions
- (A) Maintaining or constructing libraries, museum or art galleries
 - (B) Maintaining or constructing public restaurants and hotels and cinemas.
 - (C) Milk supply.
 - (D) Planting and maintaining trees on roadsides and in parks and open spaces.
 - (E) Preparatoin and presentation of addresses.
 - (F) Provision of music for the people and
 - (G) Any other measure likely to promote public safety, convenience or instruction.

82. **Powers of Mayor and Deputy Mayor.**—Like all Corporations in India, the Delhi Municipal Corporation should have a Mayor and Deputy Mayor. At present the Mayor everywhere performs only those functions which consist in presiding over meetings of the Corporation and conducting business thereat. The Mayor is rightly regarded in all Corporations in India as the first citizen. His office is one of long tradition, high prestige and wide scope for good influence, and the Mayoralties of some outstanding persons in Madras, Bombay and Calcutta have shown that much useful work can be done by Mayors, according to the measure of their own ability and personality even when not enjoying executive powers. We, therefore, do not recommend that the Mayor of the Delhi Municipal Corporation

should be more than a presiding officer at its meetings. We agree, however, that he should have the power to call for the records of the Corporation in order to inform himself about matters connected with Municipal administration. Such knowledge should increase his usefulness at meetings of the Corporation.

83. **The Mayor and Deputy Mayor.**—The Mayor and Deputy Mayor should be elected by the councillors, including Aldermen. The term of office of the Mayor and Deputy Mayor should be one year, but they will be eligible for re-election. We have considered the question whether the period should not be longer for the Mayor. But in view of the fact that it is proposed that the Mayor should not have any executive powers and that he should actually have little to do with the carrying out of the policies of the Corporation, we have decided that it would be unnecessary for him to have more than a year's term. Further, a short term will give opportunity for a larger number of members to occupy the Mayoral chair and attain the dignity of that office.

84. **Election of Mayor by rotation.**—We have noticed that for some years now a sort of convention has existed in Madras, Bombay and Karachi under which Mayors are elected by rotation from among the principal communities in the City. Whatever may have been the justification for this practice in the past, we do not consider that its extension to Delhi would be in accordance with the principles underlying the proposed constitution of the Corporation or of the spirit in which we intend that it should be worked. Indeed that practice would, we think, import by the backdoor a method which we have decided should be discarded in regard to the election of representatives to the Corporation.

CHAPTER VI—COMMITTEE ORGANISATION

85. "It is difficult indeed to conceive an easier and more elastic system or one more adaptable to the variable and diverse conditions of municipal administration than the Committee system as it is practised and understood in England. The keynote of modern municipal government in all but the smallest authorities is the Committee. Technically, the Council is the sovereign body and, in the last resort, wields supreme authority. But it can and should concern itself only with important issues of policy and therefore must allocate to some smaller body work of comparatively minor importance. At meetings of Council, it is debate on policy and principles which should occupy the limited time available, and much detailed work can safely be left to the Committees. Corporations in India have more or less proceeded on these principles and Committees have come to play an important part, and it is now difficult to think of Corporations without Committees. The system has produced good results, and it would seem, in any case, to be inevitable with the expansion of municipal Government services, the increase of functions and the tendency towards large administrative units.

86. But what form these Committees should take has been the main question. Before we formulate our conclusions we should perhaps refer to two interesting proposals bearing on the question of the principal executive body of the proposed Corporation.

87. One is from Mr. K. Santhanam, Joint Editor, 'Hindustan Times'. He is of the opinion that an Executive Council should be formed consisting of about 10 members elected by the single transferable vote by the councillors, the Chief Executive Officer and 5 or 6 Heads of Departments, the officials having full rights of members. The Corporation should decide only policy questions and the carrying out of the policy should be the function of this Council. The general body of the Corporation need then meet only six or eight times during the year. The Executive Council will deal with the day-to-day administration of the Corporation and with the reports received from Standing Committees concerned with particular subjects like Health, Education, etc. It is desirable that on each of these Committees the Executive Council should be represented by one of its members in order to maintain the necessary liaison and also to help the Executive Council to understand the reports and recommendations of the Committees. Absolute majority vote in the Executive Council and, where this is not available, a majority decision of the Council should be obtained.

88. We have no doubt that a body like the one proposed above should conduce to quick disposal of work and generally obtain better results from the administrative machine, but we fear that it will tend to concentrate all authority in the hands of a small body, leading thereby to diminished interest in the work of other Committees of the Corporation. There will be a natural inclination to look on membership of this Committee as a prize job, which we consider is not altogether desirable in present circumstances. Further, the functions suggested for the proposed authority are such that interference with the detailed day-to-day administration might become unavoidable, a possibility which, consistently with our view of the imperative need for separating policy from executive functions, we would not like to encourage. Indeed, the further suggestion, which Mr. Santhanam has made, that the Executive Council should exercise powers in regard to administrative services is in conflict with that view. A third objection, and in our view, a weighty objection, is the proposal to

vest the Chief Executive Officer and departmental officials with the full rights of members. Fundamentally, this is an undemocratic device. In a Council so composed we can conceive of occasions when, with the help of what we may call the official bloc, a minority of elected members might take decisions which may not be in accord with the views of the majority of the Corporation, and we consider that it would not be desirable to put the departmental officials, who should really be concerned with the carrying out of the policy laid down by the Corporation, in an embarrassing position of this sort. We are, therefore, not in favour of this proposal.

89. Nor are we in favour of the proposal put forward by Mr. Durga Das under which the Mayor and two Deputy Mayors elected by the direct vote of the people would be responsible for the entire executive administration of the Corporation. Apparently, this proposal has been inspired by current discussions in the country on a constitution for India. The sort of presidential executive proposed has no precedent anywhere in any city of which we are aware, and it does not appear to fit in with accepted democratic notions of the councillors' right to elect their own Mayor and Deputy Mayor. We really see no need for such a radical departure from existing models in India some of which have certainly produced excellent results.

90. The role of a Committee is:

- (i) to exercise supervision on the Council's behalf over the Department;
- (ii) in collaboration with the officers to advise the Council on policy and to prepare detailed measures of policy for the Council's consideration; and
- (iii) to exercise the Council's own powers in matters of less importance.

91. **Standing and Special Committees.**—The broad categories of Committees in Corporations in India at present are Standing and Special Committees. Some Standing Committees are statutory and others are not. Special Committees are those which are appointed to deal with specific questions or to advise the Corporation on matters which do not conveniently fall within the province of a Standing Committee, for example, a proposed new service or a special administrative issue.

92. **Number of Committees.**—The number of Committees, both statutory and Special, which at present exist in the various Corporations depends on the functions which they are expected to discharge. The number varies from 5 in Madras to 9 in Calcutta, and generally their functions embrace the whole field of municipal administration. So far as the proposed Corporation in Delhi is concerned, we are agreed that full use should be made of the system of Committee work. We observe that as many as 22 Committees have been set up by the Delhi Municipal Committee. This is a formidable number for any Municipality or Corporation. We consider that the grouping of duties under separate committees should follow well recognised branches of a municipal body's activity and not be left to expand at the discretion of members of that body. There is a great danger of indefinite extension of the Committee system causing disintegration of the work of the municipal authority, and the greater the number of Committees the greater the danger. The councillor is apt to further the policy of the Committee of which he is a member without due regard to the interests of the Corporation as a whole. We should, therefore, deprecate an unduly large number of Committees. If each Committee is dealing with fundamentally different kinds of work no great harm will be done, but if Committees "proliferate into spheres which are not dissimilar" a great deal of harm can be done.

93. The following committees should, we think, be sufficient

1. Standing Committee.
2. Finance Committee.
3. Taxation Committee.
4. Education Committee.
5. Health Committee.
6. Works Committee.
7. Markets and Gardens Committee.
8. Buildings Committee.

94. **Finance, Services and Standing Committees.**—There are three Committees which we have noticed in the course of our study of the working of Corporations in India hold a pre-eminent position. They are the Finance Committee—in Madras it is the Finance and Taxation Committee—the Services Committee, as in Calcutta, and what is called the Standing Committee as in Bombay and Karachi. Every Corporation has Committees to deal with Education, Health, Buildings or Works, etc., though designated differently; but it is the three Committees mentioned above that dominate the activities of the Corporation. As the name indicates, in the Finance Committee is generally found the co-ordinating influence on policy as Committees have to consult it at some stage or other in regard to their financial proposals before they can be finalised for submission to the Corporation for sanction. Apart from this, the Finance Committee is responsible for the annual estimates of revenue and expenditure which are placed before the Corporation, sometimes directly by the Chairman of that Committee, and sometimes through the Chief Executive Officer. The Services Committee is concerned with questions affecting the staff of the Corporation, their pay, allowances, etc.

95. **Functions and powers of the Standing Committee.**—But it is the Standing Committee of the type set up in Bombay which is the most important, and it is our intention that it should be the principle committee of the Delhi Municipal Corporation. We desire that while other Committees should deal with matters with which they are concerned, Education, Health, Markets, Gardens, etc., it should be the business of the Standing Committee to co-ordinate their work, initiate schemes and function, in effect, as a sort of Committee of the entire Council in regard to urgent matters of policy. Even when the most careful thought is given to a list of duties to be divided among the various Committees, items inevitably will arise which have not been covered in the terms of reference to any existing Committees, and we consider that the Standing Committee should be a sort of General Purposes Committee for handling any unallocated residue of business. We do not intend, however, that the Standing Committee should have the power to veto the schemes of the other committees, but it can do much by timely intervention to prevent any clash of interests and should have the opportunity to review the activities of the Municipal administration as a whole. Nor is it our intention that it should have powers in the sphere of Finance which would detract from the responsibility which we propose should belong to the Finance Committee proper. It is suggested that the Standing Committee should itself have powers to sanction expenditure up to Rs. 25,000 on any item, but it will be the duty of the Finance Committee to prepare the estimates for presentation to the Corporation though doubtless it will, at the appropriate stage, consult both the Taxation and the Standing Committees. It is, further, not our intention that the Standing Committee should exercise any powers of appointment to Municipal Services as in Karachi. The proposals we have made for the

recruitment and conditions of service of the staff make this unnecessary. But we have no doubt that in practice the existence of such a Committee would be found to be of value even by the other Committees. They would, in course of time, we hope, be easily persuaded to refer questions of general policy for co-ordination and consideration to this Committee from the larger point of view.

96. Size of Committees.—We observe that in Corporations in India the size of Committees varies from 7 to 12 members. This appears to be suitable for the Delhi Municipal Corporation, except that we should prefer the Standing Committee to consist of not more than 9 members in any case. We contemplate for it the role of a Policy Committee and as such if it is to avoid Committee allegiances it is best composed of a small number.

97. Term of members of Committees.—The term of members of Standing Committees in all Corporations in India is one year. We do not know the reasons for fixing such a short period of members of Committees. We are disposed to the view that the longer a person is a member of a Committee the greater is his use to the Committee. This applies with greater force to Chairmen of Committees, and in the course of our enquiries at Corporation Centres this view was supported by more than one Chairman of Committee. Presumably the intention behind the one year rule is to give opportunities to as many members of the Corporation as possible to have experience of Committee work. We recognise the significance of this view, but we also consider it necessary to recognise the desirability of the Corporation utilising all the experience available. Under our proposal the life of the Corporation will be 4 years, and we would recommend that election to Committees may take place once in two years and that persons who have already served as members of Committees or as Chairmen should also be eligible for re-election.

98. Nor do we think that it would be desirable for councillors to be members of more than two committees at a time ordinarily. This restriction should give opportunities to a larger number of councillors to acquire an inside knowledge of Corporation work than would be possible otherwise.

99. Co-option.—We attach great importance to the principle of co-option in the system of Committee work. We have noted that it is provided for in varying degrees in the constitutions of Corporations in India and that the system has worked well. We consider co-option to be a particularly useful device to obtain the services of experts, specialists, and, in certain cases, of men and women who are specially qualified to speak and advise on particular subjects with which a Corporation may at any time be concerned. In the conditions of Delhi we have in mind particularly Health and Education, and the Committees of the Corporation concerned with these subjects should be able freely to avail themselves of the assistance of persons qualified to advise them, particularly of women.

100. Corporation practice in India varies in regard to the rights to be given to co-opted members. We, however, recommend that the Calcutta practice under which persons co-opted to Committees have all the rights of members, including the right of voting, may be followed.

101. Chairmanship of Committees.—No single factor in the working of the Committee system will, we think, contribute to its success so much as the right chairmanship of the various Committees and particularly of the proposed Standing Committee. We have noticed to what extent to which the developing role of the Chairman of the Standing Committee both in Bombay and Karachi has contributed to efficiency, and we have no doubt that in view of the complexity of the problems of municipal administration and in view further of the important position occupied by some of the

Committees every attention will be paid to the choice of Chairmen. We conceive their functions to be generally those of rapporteurs. They will have no legal powers, but what they achieve as individuals they must achieve, like some of the Mayors of Corporations in recent years, through personality and the respect which they attract.

102. **Delegation of Powers to Committees.**—As we have stated elsewhere, the Corporation should confine itself only to broad matters of policy, budgets, schemes, etc., and that as much of its work as possible should be delegated to Committees. The question is whether this delegation should be statutorily secured or whether the Corporation should delegate to its Committees what it thinks to be appropriate and necessary. We do not consider that any great advantage would be secured in tying the hands of the Corporation by statutory prescriptions. We observe that in England an Act of 1937 gives the local authority permission to delegate any of its powers to Committees with only two reservations, namely, power to borrow money and the power to levy a rate. The permission could hardly be more generous. But in present circumstances in India this can only be regarded as an ideal to work up to in due course, and delegation might well follow the Calcutta practice. In regard to certain specified matters delegation might be absolute, the decisions taken being reported for the information of the Corporation. In these cases, while acts done cannot be undone, the Corporation will have an opportunity of recording its views, if any, for future guidance. In regard to other matters, the Committees will only make their recommendation to the Corporation.

103. **Joint Meetings.**—We suggest that no matter requiring consideration, sanction or decision by the Council should ordinarily be placed before it unless the same has been placed for consideration before the appropriate Committee and its recommendations obtained. All Committees will be of equal status. We, therefore, recommend that when conflicting decisions occur among these Committees the matter should be placed before a Joint Conference of the Committees concerned over which the Chairman of the Standing Committee will preside. The decision of this Conference should be regarded as final except in matters which are required to be placed before the Council.

104. We have recommended that on the existing *ad hoc* Authorities in Delhi, the Delhi Improvement Trust, the Delhi Joint Water and Sewage Board and the Delhi Central Electric Power Authority and any others, e.g. a Passenger Transport Board that may be set up, the Corporation should be represented, and we expect that the views of the Corporation on any particular question will be placed before those bodies by its representatives, eliminating thereby the need for joint meetings of the Corporation and any of these bodies. In addition to these permanent bodies we also contemplate occasions where the need may arise for consultation and discussion with other authorities such as the Railways. We recommend, therefore, that the constitution should provide for Joint Committees of the Corporation and such outside bodies concerned to meet for the solution of common problems.

105. **Payment of Members.**—For a long number of years, the principle of gratuitous public service has been recognised universally in India so far as local self-governing institutions are concerned. Municipal Government, for a majority of members of a Municipal Committee or Corporation, has now become, in the principal cities, a more than part-time occupation. This is particularly so in the case of Standing and other Committees of a Corporation. A large number of Councillors in Corporations today are members of one or more Committees of the Corporation. Quite a few

hours every week have to be devoted by them to their Committee work, and some of them cannot really afford the time because they are necessarily engaged in other remunerative occupations. Chairmen of Committees have, in particular, more work to do than other members.

106. Opinion, however, is divided as to whether it would be desirable to provide for payment of members of Corporations. Some feel that that will not be in accordance with the hoary tradition of honorary service observed in India, that it will accentuate competition for membership of municipal bodies, that after all it should be possible for anyone seeking to serve his fellowmen to devote a few hours during a week to the work of the Corporation to which he is elected, and that paid service may bring corruption of its own kind in the form of party machinery, undesirable canvassing etc. It has been further suggested that if a candidate cannot give time to Committee and other work necessarily involved in membership of the Corporation, it would not be proper for him to seek election to the Corporation.

107. On the other hand, the view has been strongly urged that to make Corporation membership in effect an exclusive preserve for the propertied, well-to-do and leisured class would not only run counter to the trend of modern thought, which encourages the active association with the Municipal government of a city of every adult citizen, but also to nullify what is intended to be achieved through adult franchise. That franchise is bound to throw up a class of candidates who, while being members of the Corporation, would also have to earn their livelihood. This will be particularly true of candidates representing labour constituencies. If, therefore, labour is to be represented at all satisfactorily and if its representatives are to give the time required for the work of the Corporation, they should be paid either by their Unions or by the Corporation. Experienced Chairmen of the Standing Committees of more than one Corporation have stated that in their capacity as Chairmen of Standing Committees they have to work regularly for a few hours a day and that such service cannot be expected from those who cannot afford the leisure or are engaged in other avocations. The real difficulty, according to one of them, however, is the fear of members that they might be misunderstood. The evidence received is strongly in favour of payment. It has been suggested, however, that payment need not be so attractive as to tempt members to make a job of it, that it may be confined to members of Committees, and that it might take the form of an allowance or fee for each sitting of the Committee to which the member is appointed.

108. We have carefully considered the question. There are weighty arguments both in favour of and against the proposal for payment to members of the Delhi Municipal Corporation, and we ourselves are divided in our opinion.

CHAPTER VII—THE EXECUTIVE

109. **The Chief Executive Officer.**—The Chief Executive Officer, who is one of the authorities of the proposed Corporation, is the pivot round whom the entire municipal administration will move, and the powers and functions which we propose for him arise directly from our view of the executive machinery of the Corporation.

110. **Demarcation between policy and executive functions.**—Evidence collected on the subject of the municipal executive discloses a sharp cleavage of opinion. The majority view is strongly in favour of a clear demarcation between policy on the one hand and administrative and executive functions on the other. On the other hand, it has been suggested that the proposed demarcation would lead to conflict and the setting up of almost two parallel authorities in the municipal administration and that it would be better to let the members of the Corporation exercise control over the executive. A suggested modification of this view is that the powers of the executive authorities should be shared with the President or Mayor of the Corporation and any Service Committee appointed by the Corporation.

111. We have very carefully considered this question. In our judgment, if there is one feature of municipal administration which has contributed most to the success of the two premier Corporations of Bombay and Madras, it is that the policy making body is not concerned with the day-to-day administration, and the evidence of most of the witnesses who have had something to do with municipal administration in Delhi at some time or other shows that much of the alleged inefficiency and unsatisfactory work of the Delhi Municipal Committee is attributable in no small degree to the undue interest of members in the day-to-day administration of that body and to their interference in the normal course of municipal business. We are convinced that while the elected representative is no doubt "master of the field", so far as policy is concerned, he should cease to play the "expert" if he has the interest of good government at heart. It is essential that this should be grasped before there can be any hope of improvement in municipal administration in Delhi, and we are firmly of the opinion that suitable and unambiguous provisions should be made in the constitution to secure the powers of the executive so that whatever be the vagaries of an elected majority of councillors the municipal administration of the City will be conducted free from any fear of interference by individual members.

112. **Elected Members "Amateurs".**—The tasks of municipal administration in a modern society are so complex that elected members cannot be more than "amateurs", but it will be their function in framing and guiding policy to interpret the will of the people to the paid expert so that he may not only carry out the policy dictated at the polls, but also be enabled to be the mainspring suggesting, promoting and advising at every stage. There should, we think, be a wider recognition than is now apparent of the executive's right to advise on policy and a realisation that a municipal authority which welcomes advice on policy from its officers and accords them a large degree of initiative does not relinquish its own control. "The time when the amateur was all-wise for either saying or seeing what ought to be done and the official job is merely to do what he is told is now completely past", so that there is in fact scope for an "amateur"—"expert" partnership, and it is in the evolution of a proper relationship between officer and Council will lie the key to the success of the future of the proposed Delhi Municipal Corporation. It is on this basis of the respective roles of the Corporation and the executive, the former as a policy making body and the latter as executant of that policy, that we propose the machinery described below.

113. **Principal Executive Officers.**—The following should be the principal executive officers of the Delhi Municipal Corporation:—

- 1 Chief Executive Officer.
- 2 Deputy Chief Executive Officer.
- 3 Chief Health Officer.
- 4 Chief Engineer.
- 5 Education Officer.
- 6 Assessor
- 7 Chief Auditor
- 8 Chief Accounts Officer.

114. **The Chief Executive Officer.**—The existing position in the Delhi Municipal Committee is that the principal executive officer, who is known as the Secretary of the Committee, is generally an officer of the Punjab or United Provinces Provincial Service whose services are obtained on loan by the Provincial administration for employment with the Committee. The procedure followed is that applications are invited from officers of the Provincial Civil Service in the Punjab and the United Provinces, being the Provinces nearest to Delhi. These are scrutinised by the Executive and Finance Sub-Committee of the Municipal Committee and recommendations made to the full Committee who request the Chief Commissioner to obtain the services of the selected officer from the Government concerned. It will thus be seen that the only preponderantly elected municipal body in the Delhi urban area has been exercising the right of choosing its own chief executive officer, and witnesses have strongly urged that like Karachi and Calcutta the Chief Executive Officer or the Municipal Commissioner in Delhi, by whatever name he may be called, should be appointed by the Corporation. Having regard to the essentially democratic character of the Corporation proposed we cannot but accept this proposal. It would be neither wise nor desirable to withhold this privilege and power from the Corporation. We are not, however, oblivious of the fact that the area which will fall within the jurisdiction of the Corporation will include the area in which the principal offices of the Indian Union Government, the Government House, the Federal Legislature, the Federal Court and the residences of a vast number of Government servants are situated. The special requirements of this area must be recognised, and we would recommend that at least in the initial stages of its career, the Corporation should not assume the entire responsibility for the appointment of the Chief Executive Officer and the Heads of its Departments or to comparable posts. We propose that the Provincial or the Union Government as the case may be should, on request from the Corporation, suggest for these posts two or more names as may be convenient and that the appointments should be made by the Corporation. We do not think that occasions will arise when the Corporation will have reason to consider the names suggested by the Government as unsuitable. In asking Government to assist them in obtaining the services of suitable persons the Corporation will doubtless make known their special requirements, if any. In any case, no considerable period should be allowed to elapse. Should, however, there be any deadlock, arising from the inability of the Corporation to accept the names suggested by Government, it will be the responsibility of Government to make appointments to the posts, pending a resolution of differences between them and the Corporation.

115. **Qualifications of the Chief Executive Officer and Deputy Chief Executive Officer.**—Suitable persons should, we think, be available from the Provincial or the Central Services for the posts of Chief Health Officer, Chief Engineer and other Engineers, the Education Officer, Chief Accounts Officer and Chief Auditor. The qualifications required are generally those

that holders of similar posts are required to possess in the various Corporations. The field of selection for the posts of Chief Executive Officer and Deputy Chief Executive Officer is, however, not likely to be wide, and we attach great importance to the selection of these officers. The Chief Executive Officer will be the head of the entire executive administration of the Corporation and he should be an officer of about 15 years' service and have had some knowledge, if not experience, of the working of Corporations. While administrative ability would undoubtedly be required it would be no less important to choose an officer who could adapt himself to a milieu different from that with which he has long been familiar, for there is no single factor which, in our opinion, can contribute to the successful working of the proposed Corporation so much as a Chief Executive Officer who understands the spirit of the proposed municipal government and its essentially democratic basis. Similar qualities will also be needed in the Deputy Chief Executive Officer who will be next in rank only to the Chief Executive Officer.

116. Chief Health Officer, Chief Engineer, etc.—The Chief Health Officer should have a Diploma in Public Health and should have done about 15 years' public health work, preferably under municipal bodies in large towns. The Chief Engineer should be of the standing of a senior Executive Engineer under Government. The Education Officer may be an officer of the Education Service who has had experience of organising primary education, preferably in large towns, and the Chief Accounts Officer and the Chief Auditor may be of the standing of Senior Assistant Accounts and Audit Officers.

117. Suitable Scales of pay and Allowances necessary.—We consider that the work of organising the various Corporation services during the initial years will be arduous and will require ability, energy and resource. It would, therefore, be necessary to attract the right type of men and women, and it would not do in every case, therefore, to fix scales of pay on the analogy of the scales recommended by the Central Pay Commission for officers whose services are obtained from Government. We suggest that they should be given, in addition to their grade pay, a deputation allowance on a generous scale i.e., it should not necessarily be on the scale allowed by Government but suited to the importance of the posts they are required to fill, and other usual allowances, including car allowance etc.

118. Scales of pay for certain Officers.—There may be occasions when Government may not be in a position to arrange for the loan of the services of their own officers. The Corporation should then make the appointments themselves in consultation with their Selection Board, subject to the approval of Government. In those cases the following scales of pay should be suitable:—

	R .	
1. Chief Executive Officer	2,500—100—4,000	Municipal Motor Car.
2. Deputy Chief Executive Officer	1,500—100—2,500	Rs. 200 Car Allowance.
3. Chief Health Officer	1,500—100—2,500	Rs. 200 Car Allowance.
4. Chief Engineer	2,000—100—3,000	Rs. 200 Car Allowance.
5. Education Officer	1,200—50—1,750	Rs. 150 Car Allowance.
6. Assessor	1,000—50—1,250	Rs. 150 Car Allowance.
7. Chief Accounts Officer	1,000—50—1,250	
8. Chief Auditor	1,000—50—1,250	

Our colleague, the Financial Adviser, Delhi Province, does not agree to the scales of pay proposed for the Chief Executive Officer, Deputy Chief Executive Officer, the Chief Health Officer and the Chief Engineer, as he considers them too high.

119. Appointments to these posts should initially be for a period of 5 years, which may be renewed for further periods.

120. In cases of disciplinary action involving removal from service of certain officers it is suggested that the Corporation should refer the matter to their Selection Board, provided in the case of the Chief Executive Officer and the Deputy Chief Executive Officer they agree by a three-fourth majority of the total strength and in the case of other Heads of Departments by a two-third majority. But in either case if members of the Selection Board do not agree among themselves no action will be taken. Where the Corporation and the Selection Board agree, the matter will be referred to Government. An officer whose services are lent to the Corporation by Government may, however, be removed at any time by Government if it should appear to the Government that he is incapable of performing the duties of his office or has been guilty of misconduct or neglect of duties. In that case, Government will doubtless obtain the views of the Corporation first.

121. Appeal against orders in disciplinary cases, including removal from service, should lie:—

- (i) in respect of the holders of the principal executive posts, whether their services have been loaned by Government or not; to Government;
- (ii) in respect of posts up to and including a pay of Rs. 150 to the Chief Executive Officer;
- (iii) in respect of posts above Rs. 150 to Rs. 300 to the Standing Committee; and
- (iv) in respect of posts whose maximum exceeds Rs. 300 to the Selection Board.

The decision of these authorities shall, subject to proposals made earlier, be final.

122. Powers of Chief Executive Officer.—The Chief Executive Officer is the head of the executive and the entire executive power for the purpose of carrying out the provisions of the constitution under which the Corporation will function should vest in him. All Officers of the Corporation will be subordinate to him. He should be empowered to make temporary appointments, for a period not exceeding six months, to all posts other than those whose maximum salary exceeds Rs. 500 per mensem, appointments to those above this limit being referred to the Council. He should prescribe the duties of the Corporation establishment and exercise all necessary control over them. Following Madras, we would recommend that he should have power to sanction any expenditure not exceeding Rs. 10,000 on any item. In cases of emergency he may direct the execution of any work or the doing of any act which would ordinarily require the sanction of one or other of the municipal authorities and in that connection the power also of sanctioning the necessary expenditure. He should, in these cases, report to the appropriate authorities soon after he has taken action. We consider that, as in the case of some Corporations, it will conduce to efficient and quick disposal of business if the Chief Executive Officer is permitted to delegate to his subordinate authorities some of his ordinary powers, functions and duties.

MUNICIPAL SELECTION BOARD

123. "The qualities desired in a municipal administrative force are two in number:—

their amenability to popular control and administrative efficiency. Amenability to popular control is necessary, else the wishes of the people will be incapable of realisation. Administrative efficiency is necessary, else what is done will not be well done

124. There is overwhelming support in favour of the view that, if the purposes for which a Corporation is established are to be truly served, it will be necessary to build up an administrative service, members of which will discharge their duties without fear or favour and could be sure of their due place in the service, not on extraneous considerations but on considerations of merit only. Indeed, the maintenance of such a service is possible only in an arrangement under which the policy of the Corporation is separated from its executive and administrative functions. We have decided that there should be no interference by councillors with the day-to-day administration or with the recruitment, promotion, etc., of members of the Municipal Service. The staff will be under the Chief Executive Officer for purposes of discipline and control, but it is not proposed that he should have anything to do with the recruitment of staff whose pay exceeds Rs. 300 per mensem. We propose that recruitment to posts carrying a maximum pay of more than Rs. 300 per mensem should be made by a Municipal Selection Board on the analogy of the Federal and Provincial Public Service Commissions. It will be the function of that Board to prescribe the qualifications required for particular posts, to call for applications for them and, after necessary scrutiny, recommend suitable candidates for appointment in the Corporation.

125. It has been suggested by some that this Board should consist of elected members of the Corporation only. Others would like it to be composed of elected councillors and executive officers. We consider that it should be sufficient to constitute a small Board of only two members, a Chairman to be nominated by Government, and an Alderman. The Board will doubtless consult the Chief Executive Officer and the Departmental Heads whenever they consider it necessary. We also propose that one of the functions of the Board will be to deal with disciplinary cases and appeals by officers and staff.

126. It is hardly likely that a Municipal Selection Board however constituted will have enough work throughout the year. A good arrangement would be to organise an All India Municipal Service Board, like the Federal Public Service Commission, whose functions it would be to recruit staff for all Municipalities and Corporations in India. Alternatively, there could be a Provincial Municipal Service Board if the Province were big enough. So far as Delhi is concerned the latter is not practicable in present circumstances. But there must be some body in whose impartiality and integrity the staff, and indeed the public, who are interested in a contented staff and efficient administration, have confidence. The Board proposed should, we think, provide this desideratum. Since, however, as stated, the Board can at best be occupied only part time it will be an economical arrangement to have as Chairman one who has held high office under Government and has recently retired. During his tenure of office he should have no interest in the affairs of the Corporation by way of contracts

etc. and he should not be eligible for any appointment under the Corporation after he has ceased to be Chairman of the Selection Board. He may be appointed for an initial period of 3 years but may be reappointed for a further period. If a retired officer of Government, he may be allowed a pay not exceeding Rs. 1,000 p. m. exclusive of his pension, otherwise not exceeding Rs. 1,500 p. m.

127. As regards the Alderman-member of the Selection Board, it would not be fair to expect him to render honorary service while his colleague is paid. We propose that he should be paid a fee calculated on the basis of meetings of the Board and for days on which he is engaged on the work of the Board.

CHAPTER VIII—AD HOC AUTHORITIES

128. The Delhi Improvement Trust, the Delhi Central Electric Power Authority, and the Delhi Joint Water and Sewage Board are three *ad hoc* Authorities which at present function in the Delhi urban area. Their Boards include, among others, representatives of local authorities and interests, but they are independent of them. The services for which the *ad hoc* Authorities are held responsible properly fall within the scope of work assigned to municipal bodies and that is our justification for dealing with them here, though the terms of our enquiry do not directly refer to them. If these Authorities have been formed it is because, we presume, of the belief that independent bodies will produce more satisfactory results than municipal bodies. That the Delhi Central Electric Power Authority and the Delhi Joint Water and Sewage Board have been efficient and economical in their operations we have no doubt. But it should be noted that these Authorities have, apart from the community itself, no proprietors to whom they are directly responsible. It is this fact that appears to have prompted a considerable body of witnesses to advocate an arrangement under which the Authorities would either be under the control of the Corporation or the work now done by them would be done departmentally by the Corporation.

129. *Ad hoc* Authorities tend to weaken local interest.—From the point of view of the development of healthy local self-Government also, the Delhi Improvement Trust, the Delhi Central Electric Power Authority and the Delhi Joint Water and Sewage Board, predominantly composed as they are of persons who are not elected either directly or indirectly, tend to weaken local interest in the services administered by them, except remotely, for the electorate cannot call to account its representatives if anything goes wrong or if its wishes remain unfulfilled. Indeed, the *ad hoc* form of administration of essential local services tends to confuse the chain of responsibility and democratic control becomes impossible. Further, there is the possibility of the weakening of the general municipal government structure in respect of the services left to the direct control of the municipal authority through lack of public interest.

130. *Continuance of Ad Hoc Authorities.*—We have taken these aspects into consideration in making our recommendations regarding the Delhi Improvement Trust, Delhi Central Electric Power Authority and the Delhi Joint Water and Sewage Board. We have also considered the question, which really has been uppermost in the minds of several witnesses, of the extent to which these bodies can augment the financial resources of the proposed Corporation. Indeed, this possibility has been the main argument with most of these who have urged that the Corporation should take over the work of these Authorities completely rather than any theoretical grounds of principle. We feel that our recommendations would vest real control in the hands of the people while, retaining all the advantages of technical efficiency and competent supervision derivable from a system of management whose day-to-day administration is not impeded by municipal councillors.

THE DELHI IMPROVEMENT TRUST

131. *Constitution.*—The Delhi Improvement Trust was constituted by the Government of India in their Department of Education, Health and Lands Notification No. F. 23-10/37-H., dated the 7th March, 1937, with a view to solving the problem of congestion—congestion of people in houses, and of houses on land, slum clearance, re-accommodation of dis-housed

population and town planning. The Board of the Trust consists of seven trustees, namely:—

- (a) A Chairman.
- (b) An Officer of the Central Public Works Department.
- (c) The Chief Health Officer.
- (d) A Financial Adviser.
- (e) Two members of the Delhi Municipal Committee.
- (f) One other person.

132. The Chairman and the persons referred to in (b), (d) and (f) are appointed by the Chief Commissioner. The Chief Health Officer is an *ex officio* member and the members of the Delhi Municipal Committee are elected by the Committee.

133. **Jurisdiction.**—The jurisdiction of the Trust extends to specified areas. The spheres of responsibility are:—

- (a) The Nazul Estate,
- (b) The Local Bodies within the limits of any of which the Trust might be called upon to take action under the Act,
- (c) The areas for control of Malaria,
- (d) The area to be affected by the Sewage and Disposal schemes, and
- (e) Such other areas not included in the above as may possibly be affected by Urban Expansion.

134. The jurisdiction of the Trust does not extend over lands controlled by what is popularly known as the Ribbon Development Act.

135. **Work done by the Delhi Improvement Trust.**—So far as the Composition of the Trust is concerned, it is a fairly strong body, but, for whatever reasons, the impression is widespread that the Trust has failed to produce the results desired in so far as the improvement of Delhi is concerned. Only 527 poor class houses were built throughout the period of 10 years since the constitution of the Trust, at a total cost of Rs. 3,25,000. Out of 261 plots sold during the last two years only four have been built upon. The total number of plots sold in schemes fully or partly executed is 3,490 and out of these 2,744 remain in the condition in which they were when disposal took place. In addition, there are over 1,000 plots suitable for better class residents available for disposal. But in fact the paucity of building material is mainly responsible for the locking up of huge public investments in lands.

136. **Continuance or abolition of the Trust.**—Views differ as regards the continuation or abolition of the Delhi Improvement Trust, and some have suggested that the new Corporation should take over the Improvement Trust completely so that it may function as an autonomous Department of the Corporation. They have cited the example of Bombay where after experience of improvement work done through an independent Trust, the Provincial Government decided that that work would be better done through the Corporation. Some would favour the abolition of the Trust altogether, its functions being performed by the Corporation. In that case, the budget of the Trust will not be separately maintained but merged in that of the Corporation. A third suggestion is that the Improvement Trust, the Delhi Central Electric Power Authority and the Delhi Joint Water and Sewage Board should all become part of one statutory Authority in which the Corporation would be strongly represented.

187. Improvement Trust should function independently of Corporation.—We agree that there is some justification for the public feeling that the Trust has not done much towards the improvement of Delhi and that they have cared more for the sale of land than for improvement. Notwithstanding [Bombay, the tendency now is not towards integration of the activities usually associated with an Improvement Trust and those performed by a Corporation but towards separation with a view to producing the maximum efficiency and economy attainable in the interest of the city dweller. After years of work done through the Corporation and Departments of the Provincial Government concerned with Town Planning in Madras, an Improvement Trust was formed by an Act of the Provincial Legislature in 1946 on which the Corporation, in the opinion of the Provincial authorities, is adequately represented. In Calcutta too, an Improvement Trust functions separately from the Corporation with what is considered to be satisfactory representation for the Corporation, and, in Karachi, there is a proposal to form an Improvement Trust. The suggestion, therefore, for an arrangement under which the budget of the Trust would be merged in the budget of the Corporation seems to us to be wholly indefensible in the present circumstances of Delhi, and we are convinced that that would be the surest way of endangering the purposes for which the Trust has been created. We are of the opinion that the Improvement Trust should continue to function independently of the proposed Corporation but that the public should be associated with its activities in a larger measure than is the case at present. This can be achieved by giving to the proposed Corporation a predominant voice in the management of the Trust affairs. The Board of Trustees is composed at present of 4 officials, 1 non-official and 2 representatives of the Delhi Municipal Committee. We propose that the Trust should consist of 9 members, 5 of whom will be representatives of the Corporation and 4, including a Chairman, nominated by Government.

188. Representatives of the Delhi Municipal Committee.—A point to which we should like to draw attention in this connection is the manner of working of the present Board of Trustees. We understand that even though there are two representatives of the Delhi Municipal Committee on the Improvement Trust, they are not always able to speak on behalf of the body whom they represent and that decisions taken at meetings of the Trust which are agreed to by the representatives of the Delhi Municipal Committee are sometimes not accepted by that Committee. Obviously, in such circumstances there can only be confusion, unnecessary correspondence and delays in the execution of schemes or work connected with them. Now that under the proposed constitution the Corporation will have a clear majority on the Board of the Improvement Trust, its representatives should not be in a position to get the Trust to reach decisions which are not subsequently accepted by the Corporation. Clearly, it will be the duty of the Corporation to give its representatives instructions on the business coming up before any Trust meeting so that they may commit the Corporation to the course of action decided on by the Trust at their instance. We do not suggest, however, that the representatives should be reduced to the position of delegates. Occasions will doubtless arise when they may be obliged to depart from their instructions in the light of discussions at meetings of the Trust. Such deviations are permissible in representatives, but in such cases if any final decision is taken, the Trust would be justified in presuming that, except for extraordinary reasons, the Corporation would accept that decision. These observations apply equally in respect of the relations between the Corporation and the Delhi Central Electric Power Authority and the Delhi Joint Water and Sewage Board.

DELHI JOINT WATER AND SEWAGE BOARD

139. The Delhi Joint Water Board was constituted by Act No. XXIII of 1926 for the maintenance of the works established to supply drinking water in bulk for the urban area of the City of Delhi. This Act was amended in 1938 by the Delhi Joint Water Board (Amendment) Act, 1938 (18 of 1938) so as to include disposal of sewage within the functions of the Board.

140 **Constitution.**—The Board consists of the following nine members:—

- (a) the Chief Commissioner;
- (b) four members of the Delhi Municipal Committee elected by that Committee;
- (c) one person nominated by the Officer Commanding the Delhi Independent Brigade;
- (d) one member of the Notified Area Committee, Civil Station, elected by that Committee; and
- (e) two persons nominated by the Central Government.

141. If any of the constituent bodies fails to elect its representatives the Provincial Government may nominate any member of that body to be a member of the Board. The Chief Commissioner is the *ex-officio* chairman of the Board.

142. Each constituent body has to pay on demand after the close of each quarter of each financial year the cost of the water supplied to it in that quarter. In the case of water supplied to the Delhi Municipal Committee, if the collecting rate exceeds the rate of three annas per thousand gallons, the difference between the amount payable at that rate and the amount payable at the collecting rate is payable to the Board by the Central Government.

143. **Board should continue as a separate entity.**—Public opinion, as manifested in the evidence received by us, is, as in the case of the Delhi Improvement Trust, and for almost identical reasons, in favour of the Delhi Joint Water and Sewage Board's activities being taken over by the proposed Corporation. We have been unable to appreciate the significance of this demand. At present, of 9 Members of the Board 5 represent municipal bodies, i.e. local non-official opinion is in a clear majority and, subject to the limitations of the Delhi Joint Water and Sewage Board Act, 1926, they have the power of determining the issues coming before the Board. Profits would, therefore, appear to be the motivating force. But the fact that the Board functions independently seems to be no bar to profits accruing to the Corporation. Under its present constitution, the Board is precluded from making any profits i.e., it works on the basis of actuals and the price charged for water covers operating expenses and interest. It supplies water in bulk to its constituents and they sell at such prices as they fix from time to time. Actually filtered water is sold by the Board at between 2½ to 3 annas per 1,000 gallons—it was sold at 2.55 annas in 1945-46 and at 2.64 annas in 1946-47—and the Delhi Municipal Committee and the New Delhi Municipal Committee sell it at about 6 annas and 8 annas respectively, and both these bodies after paying the cost of distribution from the bulk reservoirs to the individual consumers and other incidental charges, including the free use of water for firefighting, in public standposts, etc., make a regular income from this source. Thus if the idea is that the future Corporation should have a certain and substantial income from this source all that is required would, it seems, be to raise the water rate to the level desired; and the composition of the Board should

not greatly matter. The advantage of merging the Board in the Corporation either as an autonomous Department of it or otherwise is, therefore, not clear. On the other hand, for reasons which we have explained in connection with the Delhi Improvement Trust, we should consider that the continued separate existence of the Board would be of advantage to the community. But we have no objection to an increased representation being given to the Corporation, say, two-thirds in a body of 9, the rest, including the Chairman, being nominated by Government.

144. Sewage disposal; allocation of cost.—Under the Delhi Joint Water and Sewage Board Act the Board is bound to receive in bulk from each constituent body, except the Military Engineer Services, Delhi Cantonment, all sewage delivered by each body and to dispose of such sewage. The total net cost of the disposal of all sewage should be paid for by the constituent bodies, other than the Military Engineer Services, each body contributing such proportion thereof as the Central Government may from time to time determine, and any proportion so determined cannot be changed until the expiry of a period of 5 years. The present allocation is:—

Delhi Municipal Committee—65 per cent.

New Delhi Municipal Committee—30 per cent.

Notified Area Committee, Civil Station—5 per cent.

The share of cost of sewage disposal originally fixed in 1938 was:—

Delhi Municipal Committee—52 per cent.

New Delhi Municipal Committee—44 per cent.

Notified Area Committee, Civil Station—4 per cent.

This was revised in September 1943 as stated above. We understand that the Delhi Municipal Committee regard the revised proportion as unjust. They represented to the Provincial Government early this year and asked *inter alia* that the basis of allocation of cost of sewage disposal should be reconsidered and that, pending such revision, the position as it stood in 1938 should be restored. Their representation has, however, not met with success as the proportion of the cost to be paid by the constituent bodies was fixed by the Central Government under the provisions of the Delhi Joint Water and Sewage Board Act. Under our proposals, however, the question of allocation of expenditure will not arise. The entire cost will have to be borne by the Corporation whose jurisdiction will extend over all the areas now included in the Delhi Municipal Committee, New Delhi Municipal Committee and Notified Area Committee, Civil Station.

DELHI CENTRAL ELECTRIC POWER AUTHORITY.

145. The Delhi Central Electric Power Authority was constituted in April 1938, as a non-profit earning limited liability Company without share capital and financed by loan granted by Government. Among the objects for which the Company was established are:—

- (1) to generate and/or purchase in bulk electrical energy and to sell the energy so generated or purchased, and to create a central organisation for the generation (or purchase in bulk) of electricity and for the distribution thereof to Government and Broadcasting and Government or Municipal sewage or water supply installations, military authorities, factories within the meaning of the Indian Factories Act 1934, railways, any large consumer of electricity for industrial power purposes and persons or Corporations who have obtained or who may obtain distribution licences

- (2) to construct, acquire, maintain and operate tramway system and trolley buses, including the necessary track buildings, works, etc., and
- (3) to supply electric energy for telephones, telegraphs, etc.

146. **Constitution.**—Except with the approval of the Government of India, the number of members of the Company cannot be more than 7. The members at present are:—

- (1) The Delhi Municipal Committee.
- (2) The New Delhi Municipal Committee.
- (3) The Punjab Chamber of Commerce.
- (4) The Delhi Factories Owners' Federation.
- (5) The Governor General in Council.
- (6) The Commander, Delhi Independent Brigade Area or his successor in office as representing the interest of Military consumers.

147. **Grant of distribution licence to the New Delhi Municipal Committee.**—At present in the Delhi urban area a distribution licence has been granted only to the New Delhi Municipal Committee and this has proved a veritable "goose that lays golden eggs" to that Committee, provoking the Delhi Municipal Committee, whose finances have been none too prosperous, to prefer a claim for a similar licence. The Government of India appear to have granted the distribution licence to the New Delhi Municipal Committee of their own volition without fixing any period for the licence to run. Presumably it was given for the specific purpose of enabling that body to augment its income in order to reduce the Government's annual subvention to them and to enable the Committee to maintain a very high standard of services.

148. **Delhi Central Electric Power Authority to be continued.**—Evidence we have received on the question of how the Delhi Central Electric Power Authority should be dealt with in connection with our proposal to form a Corporation has been unmistakably in favour of the Corporation taking over the functions of the Authority. The feeling is that, more than the other *ad hoc* Authorities, the Delhi Central Electric Power Authority is unrepresentative of popular opinion and that it has all the authority without being answerable to any shareholders. Indeed, even the Government, it has been suggested, have no effective voice in spite of their having considerable financial stake. But, as in the case of the other Authorities, we feel that what is required is only to introduce the necessary element of popular control and influence into the existing body and not to abolish the body altogether. We, therefore, recommend the continuance of the Delhi Central Electric Power Authority.

149. **Representation of the Corporation on the Delhi Central Electric Power Authority.**—It has been suggested that representation on the Delhi Central Electric Power Authority may be, in a body of six, two for the Corporation, one each for the Government, Cantonment, and Chamber of Commerce and Factory Owners. We do not think that public opinion will accept this proposal. The Corporation's vital position in the economy of urban Delhi should be recognised, and we consider that it would not be giving them excessive representation to allot to them four out of seven seats. Of the remaining three seats, two should be filled by Government and the third by the Factory Owners' Federation, the Chairman being nominated by Government. We agree, however, that the representatives of the Corporation need not necessarily be members of the Corporation, and that the Corporation should be free to send to the Delhi Central Electric Power Authority anybody they choose.

150. Corporation should have a licence for distribution of electricity.— We recommend that the Delhi Central Electric Power Authority should continue to be the generating authority. We have considered the question of distribution from the point of view of income from the sale of electricity as also of the efficiency of a unified system of distribution. At the moment the New Delhi Municipal Committee has got a licence for distribution, whereas the other bodies which are proposed to be included in the Corporation have either not got electricity at all or are being served by the Delhi Central Electric Power Authority as successors to the late Delhi Electric Supply and Traction Co. In the case of a Corporation it will not be desirable to have different authorities for distribution nor will there be any such body as the New Delhi Municipal Committee left. We, therefore, have come to the decision that the Corporation should get a licence for the distribution of electricity but in the interest of economy and efficiency the work of distribution should be entrusted to the Delhi Central Electric Power Authority as agents for the Corporation. In case the licence for distribution was given to the Delhi Central Electric Power Authority, which is a non-profit making concern, the result would be that the Corporation would be deprived of a rising and substantial source of revenue which the Corporation cannot afford to forego. It is expected that this source will yield a profit of something like 60 or 70 lakhs of rupees a year to start with and the income from which is likely to steadily expand.

THE PASSENGER TRANSPORT BOARD

151. The proper organisation of the Transport Services in the Delhi urban area is a matter of vital interest to the community and, therefore, to the Corporation. The present position is recognised on all hands to be unsatisfactory. This is, therefore, pre-eminently a matter where, even purely from the social point of view, the setting up of a statutory authority would be warranted, and we recommend that a Passenger Transport Board be brought into existence at an early date.

152. Constitution.—The present Provincial Authority established under the provisions of the Motor Vehicles Act 1939 consists of 5 Members viz., the Deputy Commissioner, who is Chairman, the Superintendent of Police, and a representative each of the three principal local bodies in the area, the Delhi Municipal Committee, the New Delhi Municipal Committee and the District Board, Delhi Province. This Authority does not perform many of the functions which will have to be performed by the sort of Board which we have recommended. The Board will be in the nature of a business executive whose job it will be to run the road passenger transport services efficiently at a reasonable cost and earn profits; it will also collect the existing Motor Tax. We suggest that the Board should consist of 9 Members 5 of whom may be representative of the new Corporation, 1 a representative of the Delhi District Board and the rest including the Chairman nominated by Government

153. Finance.—We recommend that the interest in the existing transport services of private organisations should be purchased by Government. The Delhi Electric Supply and Traction Co. Ltd. have already been taken over by Government and only the omnibus service remains. In any case, we recommend that the necessary finance should be provided by Government. It is definitely our intention that the Board should function as a profit-making body and that the profits made after meeting operating expenses, providing for interest, replacement and renewals and for reserves should go to the Corporation to be available to assist in reducing local taxation or for furtherance of purposes beneficial to the community

154. The Board will be responsible for the co-ordination of all road passenger transport services in the Delhi urban area, tramways, omnibus, etc., but the technical staff, including the principal executive, will be appointed by Government. Municipal transport areas are in a state of flux and conceivably the Delhi area may have to form part of a larger transport area on the ground of natural 'traffic' areas and homogenous interests. In any such event, the urban centre will be the first and primary element in the situation so far as the proposed Corporation authority is concerned, and in any joint areas which may be necessary as part of any larger plan profits too will have to be shared on that basis. We contemplate that in the urban area the Board should have a monopoly of passenger transport services. But should for any period this not be possible, for any reason, we should have no objection to permitting private enterprise. The area of their operation should, however, be carefully restricted by allocating routes to them and/or limiting the number of vehicles used. The aim should, however, be for the proposed Board to take over all routes at as early a date as practicable.

CHAPTER IX—FINANCE

All undertakings depend upon Finance". Kautilya's Arthashastra.

155. **Weak Financial Position of the Delhi Municipal Committee.**—We realised from the outset that a *sine qua non* of success of the future single municipal authority was the soundness and stability of its finances. We, therefore, observed with some concern that the Delhi Municipal Committee, the pivotal local body in the Delhi urban area, was functioning somewhat creakily, finding it difficult to maintain municipal services at a reasonable standard of efficiency and that this was due largely to its unsatisfactory financial position.

156. The financial difficulties of the Delhi Municipal Committee have loomed large since 1942. The increase in its expenditure was out of all proportion to the increase in income, and the response from the Provincial Government to the Committee's repeated requests for aid was exceedingly meagre. The Committee had to construct shelters for protection from air raids and the cost to the Committee after deducting Government contributions was Rs. 3 lakhs. The Town Hall was burnt twice and a loss of Rs. 8 lakhs was incurred, but the Government paid only Rs. 50,000 towards its restoration. Heavy military traffic caused serious deterioration in the condition of roads but the request for a grant-in-aid for their repair was turned down. In this connection it may be noted that the Madras Corporation secured from the Provincial Government a goodly sum for similar restoration. The greatest strain on the Delhi Municipal Committee's finances arose out of heavy payments to their staff on account of Dearness and Grain Compensation Allowances. Government did make a contribution towards this expenditure, but it was negligible, contrasting strangely with the situation in Calcutta where the Provincial Government paid the Corporation 80 per cent. of their expenditure under this head.

157. **Shahdara and Mehrauli.**—Again, in both Shahdara and Mehrauli the municipal income is quite inadequate to sustain any beneficial municipal activities.

158. **Review of sources of revenue called for.**—Obviously, a review of the existing sources of revenue of the various local bodies was called for even if the single municipal authority is only to maintain present services up to a minimum standard of efficiency. But it was also recognised that while variations in the standard of services were inevitable in an area comprising urban and semi-rural zones there could not well be any great disparity as between the units in the urban area itself. In other words, the standard of services in the area included in the Delhi Municipal Committee will have to be raised to the level of that of the New Delhi Municipal Committee, if the latter body's standard is not to be lowered. This inevitably involves increased total expenditure. It is on this basis that the financial position of the future Corporation has been examined.

159. **Estimates of Income and Expenditure of Local Bodies in the Delhi area.**—The estimates of income and expenditure of the various local bodies in the Delhi urban area, including Shahdara and Mehrauli, during 1947-48 are Rs. 162.008 and Rs. 153.019 lakhs respectively (Appendices III and III-A). This expenditure is exclusive of Rs. 19.55 lakhs on capital works

programme. The main sources of income and the principal items of expenditure are given below.

160. <i>Income</i> —		(Rs. lakhs).
I.— <i>Taxes</i> —		
(1) House Tax		22·115
(2) Terminal Tax		38·850
(3) Motor Tax		4·720
(4) Other Taxes		5·521
		68·206
II. Electricity Supply		40·390
III. Water Supply		30·933
IV. Rents		7·292
V. Provincial Government's grants for specified objects.		5·805
VI. Miscellaneous		9·382
		162·008
Total Income		
161. <i>Expenditure</i> —		(Rs. lakhs).
I. General Administration		14·434
II. Education		15·244
III. Medical		6·059
IV. Public Health	33·586	
Free Water	3·025	
Sewage Disposal	8·190	44·801
V. Water Supply		18·829
VI. Electricity Supply		23·636
VII. Maintenance of Roads and Parks		13·077
VIII. Repairs to Buildings		2·514
IX. Repayment of Loans		7·060
X. Miscellaneous		7·365
		153·019
Total ordinary expenditure		
Capital Works		19·552
		172·571
Total expenditure		

162. It would clearly not be easy with an income of Rs. 162.008 lakhs to support a Corporation in the capital of the country with all that it should mean to the citizen in the shape of a reasonably high standard of municipal services and amenities. It will be interesting to note that the estimated income of the Madras, Bombay and Calcutta Corporations for the current year is Rs. 1.92 crores, Rs. 5.87 crores and Rs. 3.72 crores respectively. The area of the Delhi Municipal Corporation as well as its population are about the same as those of the Madras Corporation and even if we aim at nothing more than providing in the near future the predominantly urban

area of the Delhi Municipal Corporation with services and amenities of about the same standard as in Madras the income of the Corporation will have to be considerably increased. It should also be noted that in Madras expenditure on establishment and labour is comparatively low owing largely to local conditions and particularly the low scales of pay for almost all categories of employees. Further, the Delhi Municipal Corporation will have to provide for higher scales of pay than at present in view of the Central Pay Commission's recommendations. The establishment charges in Madras represent only 16 per cent. of total expenditure as compared with the very high figure of 36 per cent. in the Delhi Area. (Appendix VIII). Secondly, in addition to normal obligations, the Delhi Municipal Corporation will have to maintain, if not improve upon, the present high standard of services in New Delhi. Obviously, therefore, we have to provide for a larger expenditure by the Delhi Municipal Corporation, for which purpose the existing revenue will have to be greatly expanded.

163. **Motor Tax.**—Before we proceed to consider the question of additional revenue we may refer to one of the existing sources of revenue, namely, the Motor Tax. At present the local bodies do not themselves impose any tax on motor vehicles. This tax is levied by the Provincial Government which makes the collection and distributes the income, after deducting cost of collection, between the Delhi Municipal Committee, New Delhi Municipal Committee and the Notified Area Committee, Civil Station, in a fixed proportion. In future, the proceeds of this tax, less the collection charges, will no doubt go to the Corporation.

164. **How additional Revenue can be obtained.**—Additional revenue can be obtained from:—

- (i) exploiting fully existing sources of taxation, and
- (ii) new taxes.

165. There is a widespread feeling that a larger yield could be obtained from present sources of taxation if all property were properly assessed and all the tax money due were collected. It is also considered by many who gave evidence that higher rates of taxes could well be levied in several cases, e.g. House Tax.

166. **Assessment of Taxes.**—We have not been able to make any detailed inquiries regarding the methods employed by the Assessment Branch of the Delhi Municipal Committee or of other local bodies. But we note that while in the area covered by the New Delhi Municipal Committee the estimated collection of House Tax during the current year is Rs. 10 lakhs, the estimate for similar collection by the Delhi Municipal Committee is only Rs. 11 lakhs (Appendix III) in spite of the fact that the value of property in the area within the jurisdiction of the latter Committee is vastly greater. It is permissible to infer that there is a great deal of under-assessment not only under House Tax but also probably under other taxes. The future Corporation can clearly not permit the continuation of this state of affairs without serious detriment to its revenue position. We are greatly impressed by the success which has attended Bombay's efforts in this branch of administration and we would commend a close study of it by the Delhi Municipal Corporation. An essential condition of success seems to be competent and high-powered supervision. A senior officer should be in charge of assessment work, and he and his staff should function independently without interference from the councillors of the Corporation. This is one branch of the Corporation's activities where the importunities of the rate-payers may induce individual councillors to exercise undue influence on the executive. But, for this very reason it is also a sphere in which the executive should have adequate statutory powers to perform their functions fearlessly.

167. **Arrears of Taxation.**—An examination of the arrears of uncollected taxes in the Delhi Municipal Committee and the Notified Area Committee, Civil Station, during a period of ten years shows that the arrears averaged about 17 per cent. of the total 'demand' in the Delhi Municipal Committee and about 5 per cent. in the Notified Area Committee, Civil Station (Appendices VII and VII-A).

168. That an average citizen is not over anxious to pay taxes and that he would prefer the world to forget him is well known. However, there appears to have been considerable improvement in the matter since the Indian Statutory Commission recorded their observations on municipal administration in India nearly 20 years ago. We would, for instance, mention the case of the Madras Corporation where during 1946-47 the tax collected was 96 per cent. of the total 'demand'. We do not see why something approaching this standard should not be achieved by the Delhi Municipal Corporation. The Department concerned should, we suggest, keep a close watch on the progress of collection and unflinchingly pursue cases of default. The law dealing with arrears of taxes as it stands today cannot be said to be defective. Ample powers are available for the recovery of dues. But still arrears exist. Presumably there is failure to exercise fully the powers conferred by the law, particularly those relating to coercive processes, and the law and the enforcement of it regarding the imposition of penalties for late payment should be strengthened. Or it may be that there is interference from councillors, coupled with lack of courage on the part of the municipal executive. We hope, however, that these causes will no longer operate to the detriment of the Corporation's revenues as under our proposals the municipal executive will have ample statutory powers secured to them to carry out their duties.

169. **Property Tax.**—"Property has its obligations" said Disraeli more than 70 years ago. It does not appear that the significance of this observation has been realised by the local bodies of the Delhi urban area. Sub-Section (1) (a) of Section 61 of the Punjab Municipal Act, 1911, lays down that a tax payable by the owner on buildings and lands should not exceed 12½ per cent. of their annual value. No minimum has been fixed and till some time ago this tax in the Delhi Municipal Committee area was levied at the rate of 8½ per cent. and only recently under pressure of mounting expenditure was it raised to 6½ per cent.

170. That even this rate of taxation is not high enough will be seen from a study of the rates levied by the Madras, Bombay, Calcutta and Karachi Corporations. They are as follows:—

MADRAS—

Property tax—16½ to 20% according to value of property. This includes

Tax for General purposes	10½%
Water tax	1½%
Drainage tax	3%
and Lighting tax	1½%

BOMBAY—

General tax	21½%	This includes:
Property tax	14%	
Fire tax	½%	
Water tax	3½%	
Conservancy tax	3%	

-CALCUTTA—

Consolidated rate	21½%	This includes
General rate	13%	
Water rate	5.25%	
Lighting rate	1.5%	
Sewage	1.75%	

KARACHI—

Property tax	19½%	This includes
a General tax which may be not less than 8 % and not more than 12 % of the annual value of property (this is at present levied at the minimum rate.)		
Conservancy tax	5%	
Water tax	6½%	

171. **Water, Lighting and Conservancy Charges.**—The Delhi rate of taxation does not include any provision on account of water, lighting and conservancy charges. It would be the lowest in the country were the future Corporation to continue levying it on its present basis. We are strongly of the opinion that House Tax should clearly be regarded as a major source of revenue by the new Corporation. Obviously, therefore, a higher rate of taxation on houses and buildings is indicated. We would not, however, suggest any upper limit as regards the rate at which the tax should be fixed, but the lower limit should, in our opinion, be 12½ per cent.

172. Nor do we recommend that the House Tax should be a consolidated tax as in other Corporations, though we recognise that there are obvious advantages from the point of view of both the Corporation and the taxpayer of a 'single demand' as in Bombay. We do not think it necessary to introduce such a radical departure from the existing practice and would permit the Delhi Municipal Corporation to levy water, conservancy, lighting, fire, etc., charges separately as may be convenient. It should be noted that at present Delhi local bodies do not levy taxes in respect of any of these items, which means that the inhabitants of the areas concerned do not pay for watering and cleansing of roads or for public hydrants nor do they pay for the lighting of roads and streets nor for fire service. It seems to us that if the poorer sections of the community should be allowed these services free, the burden must fall on property. We hope, therefore, that the Delhi Municipal Corporation will take this aspect into account in fixing the quantum of what may compendiously be called a Property Tax.

173. **Economies.**—Allied with (i) of paragraph 164 above is the need for economy in the conduct of municipal services. We observe that expenditure on establishment increased from Rs. 16.64 lakhs in 1938-39 to Rs. 39.11 lakhs in 1945-46 and that the estimates for 1947-48 provide for Rs. 58.57 lakhs (Appendix IX). It is true that this is due largely to Dearness and other allowances granted during the war years much of which is likely now to be permanent. There have also been additions to staff. Indeed, increased establishment charges have been the feature of the administration of all the Municipal Corporations in India during the last 5 or 6 years. But the percentage of such expenditure to total income has, in several cases, not been so high as among the local bodies in Delhi. (Appendix VIII). We are disposed to the view that the unified municipal administration which we have proposed should result in some economies.

174. Decentralisation and pruning, wherever justified, may also help this process. In any case, we feel that the public cannot contemplate with equanimity an administration for the maintenance of which they are called on to spend so much that not enough is left out of the revenue collected for essentials such as sanitation, education, roads, water supply etc. We do not imply, however, that economy should be achieved at the expense of efficiency. Indeed, we have stated more than once in this Report that any measures which would have the effect of impairing efficiency might produce harmful results both administratively and financially. What we are concerned to emphasise is that waste should be avoided and that if, apart from any other steps taken, better supervision could bring that about such supervision should be provided even though it might involve increased expenditure on staff.

175. Before we go on to new sources of revenue it seems to be desirable to make clear the position in regard to one of the important existing taxes, viz., Terminal Tax.

176. "In my judgment, both theoretical and on the result of experience, no country can be progressive that relies to any extent upon octroi which has nearly every vice".* Terminal Tax is a modification of octroi and is an ancient and primitive tax; it has been condemned by economists and others as offending against all the canons of taxation. It is uncertain in its incidence and, where it is imposed on the necessities of life, it does not proportion the burden to the means of the payer.

177. On the other hand, it is possible to regularise this tax with comparative ease. It makes as near an approach to direct taxation on local consumption as can well be desired. In any case, the one valid argument in defence of the Terminal Tax in Delhi is the plea of necessity. At a very early stage in our inquiry, we had this question examined in view of our Terms of Reference in which it was stated that the new Municipal authority would not have the power to levy terminal tax on goods carried by rail under the provisions of section 143 (2) of the Government of India Act, 1935. Terminal tax is estimated to contribute during 1947-48 43.4 per cent., 5.2 per cent., 6.6 per cent. and 55.5 per cent. respectively of the entire revenue of the Delhi Municipal Committee, New Delhi Municipal Committee, Notified Area Committee, Civil Station and the Shahdara Municipal Committee, totalling Rs. 38.85 lakhs. To surrender such a large sum would, we thought, be a hazardous step until an assured equivalent is provided.

178. After careful consideration, we have reached the conclusion that the unsatisfactory state of the finances of some of the local bodies in the Delhi urban area would not permit of this source of revenue being sacrificed. As for the legal and other difficulties mentioned in Chapter III of this Report, they are, we think, no longer valid as, in any case, our proposals for the setting up of a Corporation in Delhi would involve, in the absence of a competent Legislature for the Delhi Province, central legislation, and this can well include a provision for the levy of Terminal Tax. Should, however, for legal or other reasons this be found to be not practicable, we suggest that either the tax should be collected by Government and the proceeds made over to the Corporation or an equivalent amount given as a grant. It will not be out of place to point out that the then Hon'ble Minister for Health himself suggested these alternative sources to some of us in December 1946

179. In later paragraphs we have proposed fresh sources of revenue for the Delhi Municipal Corporation, but it may not be possible for a considerable time for the Corporation to dispense with Terminal Tax altogether. While, therefore, we affirm our view that the tax should be eliminated altogether in due course from the tax schedule of the Corporation the immediate objective may be reform rather than abolition. In the imposition of the tax, the Corporation might distinguish between articles of consumption which are imported ready for use and those which are imported as raw material or in a semi-manufactured condition and are mainly re-exported after manufacture. The important point to remember is that Delhi's trade and industry should be encouraged and the tax should be so adjusted that the incidence on categories of articles which are received in Delhi and re-exported is less than on those finally consumed in Delhi. Indeed, it might be considered necessary altogether to exempt articles which form the basic raw materials of industry. Further, low rates or even no tax at all should be levied on articles of necessary consumption and the levy of high rates on luxury articles might be considered. These are, however, matters for the future Corporation to deal with, and we have no doubt that such considerations will be taken into account in the preparation of the Terminal Tax schedule.

180. **Taxes suggested by witnesses.**—It has been suggested by witnesses that fresh sources of revenue can be sought in two ways, through

- (a) new taxes, and
- (b) Municipal Trading.

181. The taxes suggested to us are Toll Tax, Entertainment Tax, Electricity Tax, Tax on Liquor, Building Tax, Tax on Animals, Tax on Domestic Servants, Urban Property Tax, Tax on Transfer and Sale of Property, Tax on Companies, Tax on Races, Wheel Tax, including Cycle Tax, Visitors' Tax, Advertisement Tax, Extra Duty on Petrol and Betterment Tax.

182. **Taxes recommended.**—We have examined these proposals in the light of conditions in Delhi and in the light of our study of the schedule of taxes now in force in the various Corporations in India. We recommend that, in addition to the taxes now in force in Delhi, the Corporation should have the power to impose the following taxes:—

1. Visitors' Tax.
2. Advertisement Tax.
3. Entertainment Tax.
4. Betterment Tax.
5. Tax on Petrol, and
6. Hawker's Tax.

What the rates of these taxes should be would be for the Delhi Municipal Corporation to decide. But we would make the following observations in regards to some of the taxes.

183. At present the Entertainment Tax is levied by the Provincial Government and used to subsidize poor class re-housing by the Improvement Trust and the local bodies as such are not allowed any share of the proceeds of that tax. We note that in Madras the entire proceeds, less collection charges, are made over to the Corporation. It is the unanimous opinion of the witnesses that the proceeds of this tax should accrue to the proposed Corporation. We are in agreement with that view. During the current year this tax is estimated to yield Rs. 9.50 lakhs.

184. **Visitors' Tax.**—Delhi as the capital of the country is a centre of trade and public offices and large numbers of non-residents come and make use of the amenities provided by the municipal bodies, and we consider that a light tax which may be called Visitors' Tax on passengers arriving in Delhi and New Delhi from beyond a distance of 20 miles by rail would be justified. Such a tax is not without precedent. In Calcutta, a Tax known as Terminal Tax* on passengers is collected in the shape of a surcharge of six pice on each railway ticket from all passengers arriving in or departing from the city by rail. In Rangoon, a similar tax used to be levied only on passengers departing by sea for destinations other than the port of Bombay, and the rate some years ago was Rs. 2 per passenger and was collected by means of a surcharge on passengers by the owner of the vessel concerned.

185. We would suggest that the Visitors' Tax in Delhi should be 1 anna, 1½ annas, 2 annas and 4 annas on 3rd, Inter, 2nd and 1st Class tickets respectively. So far as persons coming by road are concerned from beyond a distance of twenty miles, the number is not likely to be large and they need not, we think, be considered. We may provide for receipts under this head of Rs. 5 lakhs.

186. **Advertisement Tax.**—The Advertisement Tax is a tax on all advertisements exhibited to the public view in the area of the Corporation and it may be assessed at rates subject to certain minimum and maximum limits. The tax should be payable before any taxable advertisement is exhibited. We may provide for an income of Rs. 50,000 under this head.

187. **Betterment Tax.**—In our examination of the problem of the inclusion of Shahdara and Mehrauli in the jurisdiction of the proposed Corporation we have indicated that part of the finance required for the development of their essential services should be found by means of a Betterment Tax.

188. The theory of a betterment charge or assessment according to benefits is simple. It rests upon the almost axiomatic principle that if Government or a Municipal body by some positive action confers upon some individual a particular measurable advantage it is only fair to the community that he should pay for it. The facts being given the principle seems self-evident. When, therefore, under our proposals, as a result of the extension, gradual though it may be, of the benefits of modern municipal government to the Mehrauli and Shahdara areas there is a clear and measurable accretion to the value of some particular piece of property in those areas every consideration of logic and justice demands a special contribution by the owner to defray the expenditure incurred by the Corporation.

189. Betterment taxes on unearned increments of value are levied under the Bombay Town Planning Act of 1915 and the Madras Town Planning Act of 1920 and a Betterment Fee is levied under the Calcutta Improvement Act, 1911. Under the Bombay Act, the tax is subject to a maximum of 50 per cent. of the increment which is deemed to be the amount by which the market value of a plot included in the final scheme estimated on the assumption that the scheme had been completed would exceed the market value of the same plot estimated without reference to improvements contemplated in the scheme. In Madras, when the value of any property is increased as a result of a Town Planning Scheme the Municipal Council is empowered to recover from the owner of such a property an annual betterment contribution for a term of years at a uniform percentage not exceeding 10 per cent. of the increase in value. Under the Calcutta Improvement Act, when by the making of any improvement scheme any land in the area comprised in the scheme which is not required for the execution of it will be increased in value, a Betterment Fee is payable by the owner of the land or any person having an interest in it in respect of

* Terminal tax on Passengers in Calcutta and Rangoon.

the increase in value of the land, such fee being equal to about one-half of the increase in value of the land calculated upon the amount by which the value of the land on the completion of the execution of the scheme estimated as if the land were clear of buildings exceeds the value of the land prior to the execution of the scheme estimated in like manner.

190. We are unable to say what a Betterment Tax or Fee will yield in so far as Shahdara and Mehrauli are concerned, but the Corporation might, we think, justifiably anticipate substantial income from this source. As for the area in which the tax should be levied, we consider that there is no reason why any area included in the jurisdiction of the Corporation should be excluded.

191. **Municipal Trading.**—Thirty or forty years ago controversy raged in the West regarding municipal enterprise. Even now opinion differs on the subject but no keen discussion is discernible presumably because municipal enterprise has solved some of its chief problems. In progressive and enterprising municipal councils in the West and Central European countries and in the cities of the U. S. A., where the consciousness of the municipal council's obligations is wider and deeper, where the appreciation of collective effort for the common good is more extensive, a growing portion of municipal revenues is derived from the profits of municipal enterprise. This is a new feature of municipal finance. Municipal undertakings from their nature have as their object economic or social aspects but in the case of most municipal bodies it is mainly the hope of huge and easy profits, which might be used towards the relief of burdensome taxation or development of social services, that provides the incentive.

192. Except in a few very advanced communities, municipal trading is confined to supply of water, gas, electricity, passenger transport and provision of markets. The total of all Trading Services in England and Wales in 1936-37 was roughly one-quarter of all local government annual expenditure, and water, gas, electricity and passenger transport alone accounted for 110 million pounds. We have examined the extent to which Corporations in India have explored, either for profit or from the point of view of providing social services, the possibilities of municipal enterprise in regard to water, electricity, transport, banks and markets. There has not been any conscious attempt at "Municipal Trading" or "Municipal Socialism" but almost every Corporation has attempted with varying degrees of success to take over complete control and management of electricity, water supply and markets.

193. **Municipal Tramways.**—In Madras, the construction, maintenance, purchase or exploitation of tramways and other Transport Services excluding railways form some of the objects for which the municipal fund could be utilised under the provisions of the Act under which the Corporation functions, and the Corporation has been keen on the municipalisation of this public utility service. Actually, the Provincial Government have since taken over the tramways. In Bombay, too, the Provincial Government have taken over the tramways and in Calcutta, where the Corporation have been for years keen on taking over the tramways, the main hurdle has been finance. In Karachi, as in Calcutta, the Corporation notified the tramway company of its intention to purchase the tramways, but the Provincial Government suspended the resolution of the Corporation.

194. **Municipal Banking.**—Municipal Banking was thought of in Bombay but was given up as impracticable. In Karachi, it was felt that banks under municipal control might become the plaything of contending parties in the Corporation, producing harmful results and waste of taxpayers' money.

195. **Municipal Markets.**—Markets have been an important feature of municipal administration in Madras, Bombay, Calcutta, and Karachi, yielding substantial income. There are already municipal markets owned and controlled by the Corporations but not operated by them, and the trend of Corporation policy is in the direction of acquiring all private markets so as to bring them under municipal ownership and control.

196. **In Municipal undertakings profit is the motive.**—In all these undertakings by the Corporations the main motive has been profit, and the hope that they would increasingly provide substantial and easily collected revenue to the Corporation. There is no reason why in Delhi there cannot be a reasonable extension of the existing sphere of municipal functions along lines of municipal trading. Responsibility for bulk water and electricity supply will, as stated in Chapter VIII of this Report, continue to be vested in the Delhi Joint Water and Sewage Board and the Delhi Central Electric Power Authority. But the Corporation could, by getting rates fixed at a suitable level, obtain a substantial revenue from the detailed distribution. As regards markets, we feel that it is desirable and indeed it should be possible for the Corporation to construct and own markets in its area. The markets should be at short distances and available on low rents. The Corporation should, we consider, not think in terms of big markets as in Subzimandi or Connaught Circus. Markets, in short, are a social necessity and financially they will be amply justified, but it would be premature to think of the Corporation operating them. We would also recommend Municipal Insurance and Municipal Banking, but it should be clearly understood that an essential pre-requisite is that these should be run by men of integrity and character and on the lines of the Delhi Central Electric Power Authority.

197. We have no doubt that municipal trading would apart from its social aspect justify itself even on narrow financial grounds. But at present we should hesitate to recommend its extension over a field wider than that indicated above. Some witnesses have suggested the ownership and control, if not management, of cafes, restaurants, theatres and cinemas. So far as it may be desirable for the Corporation to provide these amenities, a comparison of costs, profits and prices as between public and private undertakings is not material. Municipal enterprise might legitimately undertake schemes which although bad business are good government. Such trading undertakings would then become a part of the social services of the area. But we are concerned here purely with the financial aspects of such undertakings, and it is desirable to study the experience of others in India and elsewhere before the Corporation ventures far into new fields. A local authority cannot gamble with the taxpayer's money; but we would not discourage cautious enthusiasm and enterprise.

198. **Estimated income of Corporation.**—On the basis of these proposals, then, a conservative estimate of the additional income of the future Corporation, at least in its early years, as follows:—

	(Rs. in lakhs.)
<i>From existing sources—</i>	
1. House Tax	27·89
2. Terminal Tax	11·15
3. Electricity Supply	47·51
4. Water Supply	5·07
5. Rents and Miscellaneous	1·03
	92·65

From fresh sources—

Entertainment Tax	9.40
Visitors' Tax	5.00
Advertisement Tax50
Petrol Tax	3.00
Hawkers' Tax	1.00
	<hr/>
	18.90
	<hr/>
Grand Total	111.55
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199. The total income from all sources is estimated at Rs. 273.54 lakhs (Appendix IV)

200. **Estimated expenditure.**—As regards expenditure, the details mentioned in the statement at Appendix IV—do not give a complete picture of the services and items on which the Delhi Municipal Corporation will have to spend its revenue. There are parts of the urban area which require to be brought up to the standard of services which we have suggested should be aimed at; and it is not possible to calculate the expenditure that will be required to achieve this result. But there is no doubt that it will be considerable and will have to be spread over a period of years. In addition, we have the Shahdara and Mehrauli areas where the provision of water and electricity on an adequate basis and a necessary new bridge on the approach road is estimated to cost Rs. 92.65 lakhs. As already stated, it is not possible to estimate at present what the Betterment Tax will bring in, but it is hardly likely that it will be sufficient to cover the loan charges and the cost of many municipal services including better supervision. It is in the light of these factors that the statement of estimated expenditure should be viewed and any conclusion that there is considerable unnecessary surplus would be unjustified.

201. **Loans.**—The loan liability of the local bodies in the Delhi area on 1st April 1947 stood at Rs. 93.36, payable in equated annual instalments amounting to Rs. 7.06 lakhs (Appendix III). A suggestion was made to the Committee by responsible witnesses that Government might give a good start to the Corporation by writing off its loan obligations. The idea apparently was that in view of its heavy commitments the new Corporation would feel severely handicapped by these loans and that it should therefore be freed from them. Doubtless this proposal was put forward seriously. But there is no justification for taking a gloomy view of the financial position of the Corporation. We do feel, however, that while Government control in respect of the Corporation's loans should be as strict as anywhere in India—we have in Chapter XI of this Report recommended that this is a sphere in which governmental control of municipal activities would be justified—the Corporation might be encouraged to embark on loan programmes for objects which are in the long run not only remunerative but also from the standpoint of social welfare necessary and desirable. It might also be considered whether the Corporation should not be allowed, as in Bombay, to finance out of loans all original works the cost of which exceeds Rs. 15,000 and with an average life of 30 years, so that more of the municipal revenue may be released for the benefit of the taxpayer. The borrowing powers of the Corporation should, however, bear some relation to its financial capacity and we recommend that no loan shall at any time exceed, together with the balance of outstanding loans, double the annual rateable value of the buildings and lands in the area included in the jurisdiction of the Corporation.

202. **Grants-in-aid.**—We have not examined in detail the question of the principles governing the grants-in-aid made by the Provincial and Central Governments to the local bodies in Delhi. We do feel, however, that in view of the need for the Corporation maintaining a very high standard of services not only in New Delhi but also in all parts of the area within its jurisdiction, Government's grants, both recurring and non-recurring, should be so fixed as to assist the Corporation materially in maintaining the necessary sewage, lighting, water and other services and also developing areas like Shahdara and Mehrauli to the requisite standard.

203. **Future of Corporation's Finances.**—The future of the Corporation's finances which emerges from our study of the problem does not warrant any pessimism, and we have no doubt that from the financial point of view the setting up of the Delhi Municipal Corporation is feasible. Indeed, the Corporation should, under careful management and competent supervision and with wise guidance from the councillors, dictated solely by considerations of the good of the city, prove as prosperous as any of the premier Corporations in India.

CHAPTER X—MISCELLANEOUS

204. We have benefited by the detailed enquiries made by our Sub Committee at various Corporation centres regarding matters concerning health, education etc. This study has helped us to appreciate, among other things, the financial implications of adequate attention to these services by the proposed Corporation. But we do not consider it part of our duty, in view of our Terms of Reference, to make any detailed recommendations as to how the Corporation should approach its task in regard to these or other services. All that is necessary for us to record is that within the limits of its powers and resources, the future Corporation should aim at securing, at a cost within its competence, the provision of reasonable comfort in healthy and sanitary surroundings. It will be for the elected members, as representatives of the voters, to decide the priority as between rival claims, such as expansion of sewage in Delhi City, or provision of it in other areas where it does not exist, clearance of slum areas, widening of narrow alleys and lanes, provision of municipal public baths and public conveniences, establishment of Municipal dairies, model eating houses, maternity homes, Municipal laundries, asylums for diseased persons and so on. But there are certain matters to which, we think, we may usefully refer.

205. **Training of Staff.**—It is now almost a truism to say that modern government, whatever its form, must collapse unless it discovers and applies the secret of recruiting and training a sufficient body of efficient, zealous and impartial officers. So far as our country is concerned, Government Services, Central and Provincial, absorb the best material. Municipal administrations have therefore to be satisfied with only the leavings, particularly in the lower categories of staff. The need for the training of staff thus becomes all the more necessary and urgent if a minimum quality in the staff has to be ensured. Measurement of administrative efficiency is one of the branches of knowledge in which an exact quantitative statement of values is impossible. In public administration it is impossible to measure either the collective or individual capacity with the same exactness as probably in private business, but the public administrator must be careful to recruit and retain officials only by the application of the best available tests of training. Further, he is under an obligation to discover and provide the most effective means of giving to all continuity of incentive.

206. **Satisfactory Conditions of Service.**—It is also necessary that the large body of the staff, apart from the higher executive, should feel satisfied with their conditions of service. Adequate pay scales, of course, come first, particularly in the case of the lower staff. It is not difficult to persuade oneself that the public must be safeguarded by offering only low salaries, but it is the public which will suffer if the quality of the staff is allowed to deteriorate on account of unsatisfactory remuneration. But in present circumstances adequate scales of pay and security of service alone do not produce contentment. They must be linked up, apart from Provident Fund and/or pension systems, with the provision of certain amenities like free quarters for low paid staff, particularly for the conservancy and Fire Brigade staff, canteens, and co-operative stores and fair price shops.

207. **Ward Offices.**—We are of opinion that in their day-to-day administration the Corporation would be greatly assisted if they could be enabled to maintain contact with the public in regard to their needs and requirements. The public usually have many petty complaints to make, and they cannot well be expected to make them to the one central office situated far away from their homes. We have noted with pleasure the

great success which has attended the Madras plan of Divisional offices in the various Divisions or Wards of that city. In those offices complaints are heard, enquiries are answered and information is given. They thus save a great deal of time both to the complainants as well as to the various Departments of the Corporation. We hope that the Delhi Municipal Corporation would consider the establishment of such offices in the Delhi urban area. These offices could, apart from the activities mentioned above, also attend to work connected with registration of births and deaths and vaccinations—Tax collection too should be easier from these offices. They need not, however, be elaborately staffed. So far as the councillors are concerned, the ward office should greatly facilitate their meeting their constituents and representing their needs to the Corporation authorities, but they will exercise no control over the staff in the office.

208. **Municipal Police.**—Some witnesses have suggested the employment by the new Corporation of their own Police Force. We have had conflicting evidence on the question whether police aid has been available to the Delhi Municipal Committee, whenever it was required, in connection with the enforcement of their bye-laws. One opinion is that while police aid has been forthcoming in the case of the enforcement of building bye-laws, it has been so often required in connections with encroachment on municipal property, constructions on the roadside, unauthorised occupation of parks or pavements etc. that the force made available has not proved adequate. Another opinion is that the police are not infrequently spectators when nuisance or obstruction takes place, and that they are unwilling or unable to control. But witnesses agree that the Corporation should have their own Police Force and it has been suggested that it should be recruited by the Superintendent of Police, Delhi, and specially earmarked for Municipal work. In order that a better class of recruits, with a due sense of responsibility, may become available, it has been further suggested that the men allotted for work with the Corporation should be given a slightly higher scale of pay.

209. The practice of local authorities having their own Police Force is not in vogue in India, though the opinion of some Corporation executives seems to incline towards the employment of such a force. Counties and Boroughs in the United Kingdom have their own Police Force, though the extent of control over that Force by the local authority has varied between Counties and Boroughs and the Police Force is ultimately subject to the disciplinary control of the Home Secretary. A Municipal Police Force might be a novelty in India but a majority of us would recommend the new Corporation maintaining such a force. It need not be a big force and financially it should not be a drain on the resources of the Corporation. We believe that a Municipal Police Force should assist in increasing the income of the Corporation by preventing unauthorised structures, occupation of thoroughfares, and streets and, from the social aspect, by preventing the hawkers from being a nuisance to the public. A witness who has had considerable experience of Municipal administration in the Delhi area estimates that with the assistance of the Municipal Police the income of the Delhi Municipal Committee will in certain directions be doubled. We have no means of ascertaining to what extent this estimate may be regarded as reliable, but we have to doubt that the financial effect would not be negligible. We propose that the local Police authorities should recruit the men required for the Municipal Police Force and retain responsibility for their discipline. But we would not at this stage recommend any extra remuneration to the force so recruited either in the shape of deputation allowance or a higher rate of basic pay, as that might affect the contentment of the Provincial Police.

C CHAPTER XI—STATE—MUNICIPAL PUBLIC RELATIONS

21

Dyarc Government's powers of control and interference.—During the so municipal regime in India, no provisions of the Municipal law provoked ferentich controversy as those which vested wide powers of control and inter- in ale in the Provincial Governments. These provisions have continued Corpomost the same form though they are now not rigorously applied- servecrations, however, in view of the nature of the area and population whichl by them, and for other reasons, escaped the sort of detailed control there mere Municipalities and Municipal Committees had to endure. But The r-was some control, and it proved sufficiently irksome in some cases- vinciaelations between local bodies in the Delhi urban area and the Pro- bodiesl Government may be said to resemble those between municipal have : and Provincial Governments throughout India many years ago. We circurconsidered whether a continuance of this relationship in the changed machinstances of today will be compatible with the local self-government 21nery that we have proposed.

the p l. **Forms of control.**—Government intervention and control have in the cast been provided for by statute presumably on the basis that, as in act aase of individual citizens, Government should have powers to counter- act inarchy in municipal bodies. Governmental authority is supposed to action order to save municipal authorities from having to take remedial ventia when a remedy is too late. Whatever the rationale of such inter- formsn, it has generally taken, in the case of Corporations. the following :—

- (i) a general tutelary power over certain services,
- (ii) power of approval in relation to alteration of areas and boundaries,
- (iii) the requirement of prior sanction of Government to administrative schemes,
- (iv) power of making, adding to, amending or rescinding bye-laws, the bye-laws not having effect until previously published and subsequently sanctioned by Government,
- (v) approval required to appoint to the principal executive posts and power to prescribe qualifications and tenure of posts,
- (vi) power of action in default,
- (vii) powers regarding the raising of loans.
- (viii) appeals to lie to Government in certain forms of administrative action, for example, appeals against disciplinary and other action against the lower categories of officers,
- (ix) power to make enquiries and obtain reports,
- (x) auditing of accounts,
- (xi) power of inspection, usually coupled with the making and withholding of grants-in-aid,
- (xii) power of cancelling resolutions of the Corporation which are considered to be in excess of the powers conferred on them by statute, and
- (xiii) the power to give directions to the Corporation under certain conditions and to make rules to carry out all or any of the purposes of the Corporation Acts.

212. Municipal Government authority cannot be completely autonomous.—These powers appear formidable for a Government to possess in the case of a Corporation, but clearly no municipal Government authority

can be completely autonomous. If it were, it would be a sovereign authority and therefore not a local authority. The very title "Local-Self Government" implies some restrictions of powers—self-government can, in this case, be only a question of degree.

213. Some control inevitable.—Even the most ardent supporter of local self-government will, therefore, recognise that some control by Government is inevitable anywhere in India and particularly in Delhi which is the capital of the Indian Union Government. The important thing to consider is to what extent control can be exercised consistently with the preservation of a democratic form of municipal government.

214. Prejudice against Government control not justified.—Nor do we think that the old prejudice against Government control will be justified in the future having regard to the composition and character of the Government or Governments with which the Corporation will deal. It could no longer be contended that a foreign Government paid more attention to amenities in civil stations and neglected areas where public health measures, even though urgently required, were considered of secondary importance because the people were voiceless. It may, therefore, be recognised that whatever control is retained will be in the interest of the people.

215. Present control inimical to Local Self Government.—But the sort of control which is provided for in some Corporation Acts contains, in our opinion, an element which is inimical to local self-government and can easily be applied so as to destroy local initiative and interest. So far as Delhi is concerned, if that should happen, there would be a distinction in form only between it and a Department of Government; the locally elected body would sink to the position of a mere local advisory panel to assist, so far as it was invited, the administrative officer set up in its place. That would mean the end of local self-government as we want it to be.

216. We would, therefore, not recommend any provisions of law which would be inconsistent with the proper exercise by the elected members of the new Corporation of their rights and duties as representatives of the democracy in the Delhi urban area. There can, therefore, be no veto on resolutions passed by the Corporation or prior sanction for bye-laws except where the maintenance of public order and morality is involved. As regards action or measures taken which may be *ultra vires*, the remedy should, we think, lie with the courts of law, and it should not ordinarily be for Government to interpret what is legally permissible and what is not. We can, however, conceive of occasions when there is disagreement between the Corporation and Government as to whether a Resolution or bye-law is *ultra vires* or *intra vires* of the powers of the Corporation. In such cases the Government may direct that the Resolution or bye-law shall not be put into effect until the matter is cleared up in a court of law.

217. Government to have strictly limited powers of control.—Subject to these observations we are willing that Government should retain control in regard to certain specified matters in the interest of the citizens themselves, but would prefer that the control should, as in America, take the form, wherever possible, of flexible administrative supervision and not detailed State legislation. Under proposals made earlier, Government will have powers of nominating to the principal executive posts of the Corporation and of entertaining appeals from holders of these posts in regard to disciplinary cases. They should also have the completest powers now permitted to Provincial Governments in Corporation Acts in connection with the raising of loans and audit

218. Scope for co-operation between Government and Corporation.—We believe that notwithstanding the powers allowed to Government, there will be a sufficiently wide field in which both Government and the future Corporation can collaborate as part and parcel of one Governmental system. The common ultimate purpose of both is to serve the people, and State supervision and control, instead of being dictatorial or irksome, will, we hope, take the form of advice and co-operation. The Government—apart from cases of exceptional maladministration, where their interference will be demonstrably in the public interest—should not become a repressive force.

219. Publicity and Public Relations.—It is now almost axiomatic that no democratic government can survive without popular support. The relationship which exists between local self-governing institutions and what we may call the man-in-the-street is, therefore, all important, and we are emphatically of the opinion that unless there is an adequate appreciation of this fact the functioning of the proposed Corporation for Delhi is not likely to be very different from that of the Delhi Municipal Committee.

220. Ignorance of Municipal services and problems.—Our Sub-Committee which toured the various Corporation centres made particular enquiries regarding the extent to which there is co-operation between the public and the Corporation, whether the public have a sufficient awareness of the problems of municipal government in their impact on their daily lives, whether the municipal government of each city has done all that it could to educate the public in regard to its responsibilities and duties, and whether it has provided the necessary machinery to facilitate the understanding by the public of the work done by it. The Sub-Committee were also interested in the study of the relations between the members of the Corporation after their election to that body and the public, *i.e.*, the extent and frequency of contacts between them and the results achieved by such contacts in so far as the work of the Corporation was concerned. It was found that there was a general ignorance of municipal services, a failure to appreciate how these services were administered and a lack of interest in much that pertained to municipal government. It appeared that the public did not care what happened so long as taxes were not increased. The result was, not having the interest, there was not the requisite knowledge of municipal affairs.

221. Unlike the West local self-government in this country is of comparatively recent origin, and local self-governing institutions have not had the same opportunities of growth and development as elsewhere. Even so, they have, the Committee feel, functioned long enough and elections to the municipal bodies have been held frequently enough, to have produced in the public a consciousness of their responsibilities and duties. But unfortunately in most places this does not exist, and since we consider that this is a matter which has an important bearing on the working of the proposed Corporation it would be useful to study it in order that the necessary remedies may be sought

222. Causes of public apathy.—Public apathy is attributable in a large measure to two factors:—

- (i) lack of knowledge of municipal organization and services, and
- (ii) an inadequate sense of citizenship

223. Lack of knowledge in the citizen takes various forms, chief among them being ignorance of the range of services provided by the city government for his benefit. The result is often grouching and complaints against burdensome taxation and from the vocal section of the community ill-timed demands for economy in the administrative and other services. Being a

body consisting of elected members generally a Municipal Committee or a Corporation is more often than not compelled to acquiesce in these demands with harmful results to the community as a whole. It, therefore, becomes important to examine how far this lack of knowledge could be remedied.

224. **Ratepayers' Associations.**—In theory the elected representatives of the Corporation or the Municipal Committee provide the necessary contact between the Corporation or the Committee and the public. In fact, however, in most places this does not happen. Some cities have Ratepayers' Association, which function throughout the year, the most notable being those in Madras where the 40 Divisions of the city have as many as 45 Ratepayers' Associations whose work generally is to ascertain local needs and requirements and communicate them to the Corporation at public meetings or through deputations or by means of written representations. To what extent these Associations have sufficed to produce results is not known, but they represent active public opinion, though only to a limited extent. Election meetings cannot in their very nature evoke more than transient interest, though their educative value is undoubted.

225. **The role of the Press.**—The Press plays an important part in placing before the public facts regarding municipal administration, publishes the proceedings of meetings of municipal bodies and sometimes its own view of what these mean to the citizen. This is the most important single factor so far in the education of the citizen, but a newspaper has other interests which claim its attention and sufficient space cannot obviously be given to the proceedings of a local municipal meeting.

226. **Annual Reports.**—Municipal Committees themselves publish their annual reports but these appear so late after the events or occurrences reported that they have no news value and cease to be of much interest to the public.

227. **"Education of the Master": Suggestions.**—We have, therefore, come to the conclusion that the existing facilities provided for the "education of the master", the citizen of Delhi, in the affairs of the municipal government of his city should be greatly increased and improved before he can be expected to discharge properly his civic responsibilities.

228. We suggest:—

- (i) prompt publication of the annual reports, which must be news and not history, which should give not only all statistics but be well illustrated;
- (ii) close contact with the Press which should be assisted and encouraged to report the proceedings of the Council, and
- (iii) admission of the Press not only to Corporation meetings but also to Committee meetings, where confidential matters are not discussed or attendance at which of outsiders will not be detrimental to the public interest. This should also encourage a lively sense of responsibility in members.

229. Suggestions contained in (ii) and (iii) arise from our definite view that the Press should not be avoided or evaded but cultivated in the larger interests of the community. The question of the stage at which publicity should be or can be given to any particular matter, project or scheme or proposal of the Corporation will certainly be one for decision by the Committee concerned of the Corporation itself.

230. **Municipal Gazette.**—We recommend also the conduct by the Corporation of what may be called a Municipal Gazette as in Calcutta which will publish regularly the agenda of meetings of the Corporation proceedings and decisions, invite questions on problems of city government

answer or arrange for answers to questions, and generally furnish information regarding municipal services, administration and problems against the background of past achievements, present aims and future developments. Arrangements should also be made for propaganda vans and literature, particularly in regard to matters connected with Public Health.

231. Perhaps the lack of knowledge which has produced public apathy in Delhi, among other places, is an indication of the loss of a sense of citizenship in the man-in-the-street, of his feeling that he has little to do with the municipal government of the city. The area of the proposed Corporation is not so big that it can make a man a stranger in his own city. In any case, the suggestions already made should help to minimise public apathy, and it should be the duty of the Corporation to make the public feel that they determine practically everything connected with the municipal government of the city and that the experts are only the instruments to carry out their intentions and the policy laid down by them through their elected representatives. "If people will not play their part, no matter what is done to induce them, the ideals of local-self-government, local responsibility, and pride of citizenship will gradually fade away and will have to be replaced by a bureaucratic system of one kind or other."*

Shri Ram

†Sohan Lal

Deshbandhu Gupta

†P. K. Basu

†Hannah Sen

Gordhandas

†Arthur Dean

†V. S. Mathur

†Sobha Singh

J. C. Roberts

M. S. Randhawa.

M. R. KOTHANDARAMAN,

Secretary.

New Delhi, 13th December, 1947.

Harris Municipal self-Government in Britain.
Subject to minute of dissent.

Minute by Rai Bahadur Sohan Lal

I regret that I cannot bring myself to agree with my colleagues on a few points and hence the necessity of writing this separate note. I will discuss these points seriatim.

(1) Para. 69—Adult Franchise

I agree that elections should eventually be based on adult franchise but I would reach this goal in successive stages, say in 10 to 15 years. The interval should be used in extensive propaganda to educate the public as to its rights, duties and the value of individual vote. The Committee, I am afraid, in coming to this decision has taken the line of least resistance and has tried to sail with the wind. It has completely slurred over the important question of corruption at elections which has grown up to an alarming extent during the last several years and is still on the increase. No effective remedy has yet been found to check this evil. Even candidates, backed by powerful groups and organisations and with public record of service at their backs, have no other course but to swim with the tide or at any rate to shut their eyes to what is being done on their behalf. This is the position to which democracy has been reduced. Poverty, ignorance and lack of civic sense are largely responsible for this state of affairs and looking from this angle alone adult franchise may not be an unmixed blessing. It may, on the contrary, restrict the field to persons with still longer purses. A poor, honest and zealous social worker may be deprived of an opportunity to serve his fellow citizens.

There is yet another consideration which seems to have been ignored, Delhi City, comparatively speaking, predominates in the illiterate, the poor, the labourer and the beggar. No one can deny the fact that with the extension of franchise on the last occasion in the city municipality, the calibre of candidates that are offering themselves for elections has definitely gone down. The truth of this assertion can be verified by a reference to the composition of the committee 20 or 25 years back. There is no dearth of capable men in the city who could be an asset to any committee. There are various reasons for this unfortunate state of affairs, the main reason being the corruptions at elections. It is too much to expect of any man, who has no axe to grind and disdains empty honours, to give his valuable time and in addition to spend a substantial sum out of his pocket to become a municipal councillor.

If my diagnosis is correct, the question assumes another aspect. Under the plan the wards are to be delimited on population basis. It will be thus evident that the Delhi City's representatives will preponderate in the Corporation. If the majority of them are of poor quality the whole object that the Committee has in view may be frustrated. The Corporation at its earlier stages, at any rate, would require the services of strong men with broad vision. Moreover, the result of the innovation which is being introduced for the first time in India still remains to be tested and it would be difficult to retrace this step once taken. Every thing therefore indicates that we should go slow and exercise caution. It is no use copying the West blindly where conditions are totally different. It seems to me that under the prevailing state in the country we would make the confusion worse confounded, if we introduce adult franchise at present. It will be opening still wider the door to corruption.

I confess that the reasons advanced for the recommendation leave me cold. The subject seems to have been dismissed with the remark that whatsoever is good enough for the Provincial and Federal Legislatures ought to be good enough for a local body. It is forgotten however that

the Constituent Assembly reflects the opinion of a party which promised adult franchise in its election manifesto and its pledge had to be honoured. We also know that in pursuance of another pledge the Salt Tax was abolished and a sum of about rupees 9 crores from public revenues was sacrificed. Can any one say that the common man, in whose interest this step was taken, has benefited in any way. Profiteers and black-marketeers however reaped a good harvest. Had the spirit of the pledge, and not its letter, been observed and the sum of rupees nine crores a year were, for instance, ear-marked to supply free or cheap houses to the poor the Congress would have earned the gratitude of thousands and thousands of persons from generation to generation.

There are instances when this party, saddled with power, -has, as practical men, modified their opinion on several questions. It is true that constitution is based on adult franchise. There is, however, no such pledge in the case of the Municipal Corporation of Delhi. I am firmly of the opinion that adult franchise at the present stage will have disastrous consequences.

The only other argument advanced at the meeting was that a vote has an educative value. I agree, provided necessary conditions were created for it. Elections have been held for over 50 years and one fails to see the results of its educative value. Wisdom demands that the Committee should not adopt a dubious course, which on the other hand has proved harmful, when other direct methods to educate the public are open.

I would respectfully urge that in the beginning the Committee might adhere to that good old adage, 'No representation without taxation'. It should also give a vote to every adult who can read and write. This might encourage literacy amongst the masses. At any rate beggars and mendicants, who are a drag on the economy of the country should not be given a vote. We all know that these votes will go to the highest bidder. There is also no justification to give a double vote to labour. It is true that some other special interests will exercise double vote but their number will be small. There will be no objection, however, if they were to be treated similarly.

I am well aware that Government to be consistent cannot open the question of adult franchise and that my voice will be a voice in the wilderness but I am sure that it will find an echo in the hearts of both successful and defeated candidates and also in the hearts of those who have been connected with elections in some way or another. I have watched scores of elections at very close quarters for over 30 years and I feel that with the experience gained it would be wrong on my part to silently subscribe to the views of my friends on the Committee.

(2) Para. 79—Labour Representation

The two members selected should, as in Karachi, be labourers themselves. The voice of genuine labour is likely to receive more sympathetic hearing and consideration by the Corporation than that of non-labour leaders who generally place the interest of a class above that of the community, to keep their leadership. The experiment tried in the Coal Mining Area by the Government of India has proved entirely successful.

(3) Para. 84—Election of Mayor by rotation

On principle I agree that the best man should be selected each year for this high honour and as a matter of fact I would like all appointments in the Corporation to be filled on merit and merit alone. We are however living in a matter of fact world and compromises are found to have their own uses. What is the reservation of seats on the Council, that has been

recommended, but a compromise? My objection is however based on the ground that in making this recommendation we have gone beyond the terms of our reference. There are a large number of conventions set up by every assembly for its smooth working and according to its needs and it is not for us to condemn or uphold any of them. This is a matter for the future Corporation to decide for itself. We in a way are casting a slur on all the other corporations in India which one after the other, adopted this convention with their eyes open and they must have cogent reasons for doing so. Why sit in judgement over them?

Moreover, the picking out of a solitary convention out of several which other corporations have adopted is apt to lay us open to a charge of partisanship, more especially when our Muslim friends are absent. I venture to think that the Committee would have been well advised to omit this paragraph. The matter will resolve itself automatically as the members of other communities will be negligible before long.

Paras 117-118—Scales of pay of senior officers

The remunerations of the Ex-Officer and Heads of Departments should be fixed, keeping in view the pay of such officers in other corporations in India, especially in Bombay, the income of which is about 6 crores and which we have taken to be our model, the recommendations of the Pay Commission and the remunerations paid to local officers of the Union and Provincial Governments holding equally important posts of responsibility

(4) Paras. 210-218—Government Control

Government control over some of the Corporations has been very stringent. The reason for this is to be found in the fact that, whilst a corporation was sometimes dominated by one group, the Government of a province were in the hands of another group. The result was inevitable but Local Self Government suffered in the bargain. These things, at any rate, for the present are changed because Congress is in power at the centre, in the provinces and local bodies. I confess however that between the vagaries of an elected majority under a democratic system, under present conditions, I would prefer to trust the Government much more. The same reasons which led us to control the activities of the councillors should counsel us to provide checks that the rate payer's money is not wasted. Government control is therefore necessary. It should be reduced to a minimum but must be real and effective. In addition to the powers proposed for the Government it should be made clear, in no uncertain terms, that Government would step in at the earliest stage mal-administration begins to disrupt the administration of the corporation. In case of projects involving expenditure of 2½ lakhs the technical sanction of the Government should be necessary as Government always has expert assistance which may not be available to the corporation. There is a salutary provision in some of the corporation Acts that any expenditure incurred by a local body in excess of its powers makes the members, who had voted for such expenditure, liable to reimburse the corporation funds for such loss. Government approval should certainly be obtained if the area of the corporation is to be altered. If the Corporation were to make persistent default in the discharge of any of its statutory duties, Government intervention will not only be necessary but imperative. There is a corporation in India which instead of attending to its legitimate duties, spent most of its time in discussing matters which were outside the scope of its functions. Such danger ought to be avoided.

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Government may not use these powers but they should be held in reserve as they will provide salutary checks.

5. Chapter IX—Finance

I feel that this is a weak spot in our report. The success or the failure of the proposed corporation will depend to a large extent on the stability and elasticity of its finances. The Property Tax has after all its limitations and if any other sources of income that have been recommended do not become available, the whole financial structure is bound to crumble down. It is well therefore, to examine the estimated income and expenditure.

The present income of all the local bodies that will come together is estimated at Rs. 152 lakhs for 1947-48 (Appx. III). The estimated existing expenditure has been raised from 172 lakhs to 278 lakhs (Appx. IV). There is thus an estimated increase in income of 111 lakhs. This can be divided into (a) from existing sources Rs. 92.65 lakhs and (b) fresh sources Rs. 18.90 lakhs.

It is interesting to note that on the expenditure side a sum of Rs. 20 lakhs has been provided to give effect to the recommendations of the Pay Commission. It looks as if fresh taxes are being proposed in the interest of the establishment alone. The second point to notice is the great disparity between the expected income from old and new taxes.

Income

	Lakhs
A. From existing sources—	
1. House tax	27.89
2. Terminal tax	11.15
3. Electricity Supply	47.51
4. Water Supply	5.07
5. Rents and Miscellaneous	1.03
	<hr/>
Total	92.65
	<hr/>

Doubts have been expressed if the whole of the income under these heads will be available to the Corporation. The increase from House and Terminal taxes is fully justified as explained in the notes to Appx. IV

The Financial Adviser to the Chief Commissioner expressed doubts if we were right to depend on the income from Terminal Tax (50 lakhs), as terminal tax will be a central subject and may be abolished. This tax gives the Delhi Municipal Committee 42 per cent. of its income and is its mainstay. It is inconceivable that in case of this tax being withdrawn, the Government would not compensate the committee for its loss, one way or another. The Corporation will be a successor in interest of the city Committee and may with confidence depend on this income.

The income from electric supply (47½ lakhs), however, is problematic. It all depends whether the Government will be prepared to give a Distribution License to the Corporation or at least hand over to the Corporation the net profits irrespective of the Authority to which this work be entrusted. If it is legitimate for a local body to make money out of sale of water, there seems to be no valid reason why a local body should not benefit itself by the sale of electricity. In case a Central Local authority is created, as hinted by the Financial Adviser to the Chief Commissioner, the income accruing under this head and raised from the area of the corporation, should be assured to the Corporation.

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No one need quarrel with the estimates under the last two heads.

	LAKHS.
B. New taxes proposed—	
1. Entertainment tax	9.4
2. Visitors' tax	5.0
3. Petrol tax	3.0
4. Advertisement tax . . . . .	.5
5. Hawkers tax	1.0
	18.9

1. **Entertainment tax.**—It already exists, but the proceeds are earmarked for specified objects. I would not depend on this income (9.4 lakhs). It is simply a question of robbing Peter to pay Paul. In other words, it is a request to Government to enhance its grant-in-aid, which request may or may not be granted.

2. **Visitors' Tax.**—The idea seems to have been borrowed from the Pilgrims Tax which is levied at certain towns, but the circumstances under which this tax is imposed are different, and fully justified. Visitors' tax is open to serious objections.

(1) Even a permanent resident of Delhi, if he were to go out for a day will have to pay this tax on his return;

(2) Road traffic which is sure to develop rapidly will be placed on a favourable position to the railways;

(3) If every town was to follow suit a sort of a barrier will be raised between one town and another;

(4) The rich who have taken to travel by air would be exempted; and

(5) The Railway Board is not likely to agree.

We must be prepared to do without this income (5 lakhs), if necessary.

3. **Surcharge on Petrol Tax.**—It is based on the figures collected by the Delhi Municipal Committee for its area alone. We may safely count on Rs 6 lakhs. This tax can be defended. The burden will fall on those who can well afford it

4. **Advertisement and Hawkers Tax.**—If properly assessed and collected will not disappoint us

The total income from fresh taxation may not after all amount to more than a couple of lakhs of rupees.

EXPENDITURE

The local bodies have estimated a sum of about Rs. 55 lakhs to be spent in 1947-48 on education and Medical and Health Services out of a total income of Rs. 162 lakhs. The percentages of expenditure on these heads over income work out at 9.4, 3.75 and 20.72 (total 33.87 per cent.) respectively. The present estimated expenditure of about 55 lakhs by local bodies for 1947-48 has been repeated and a lump sum of 20 lakhs has been provided (item 15 Appx. IV) for improvements in existing services, including water supply, road lighting, road repairs etc. If we were to take 10 lakhs for the 3 services under discussion, the total provision under Education, Medical and Health is raised to 65 lakhs. The total estimated income is Rs. 272 lakhs. Had these services been given a proportionate share in the

increased income a provision of over 90 lakhs was necessary. The Bhoré Committee has recommended that a contribution of 30 per cent. of its total income should be paid by a local body, if Health Services are provincialised. This contribution will amount to 90 lakhs while a provision of 65 lakhs is being made for the three services combined

2. Under the head "Re-payment of Loans" there is a provision of 15 lakhs only. Almost half of this sum would represent the service charges payable on account of the loan taken by the New Municipal Committee. With the rest we can raise a loan of about one crore only. The city's sewerage alone will cost several crores.

3. In paragraph 209 of the report the maintenance of a Police force has been recommended but no provision has been made for it.

Income has a tendency to shrink and the expenditure to expand. Every thing indicates that if the Corporation is to fulfil the object for which it is being created it should have more funds at its disposal say about 3½ crores. The Government no doubt may be expected to render substantial aid to the Corporation but it has to be convinced that every effort has been made to tax ourselves to our full capacity. With this end in view, it is suggested that the possibility and the desirability of imposing the following taxes be re-examined:—

(1) Surcharge on duty on transfer of property (2) Sale Tax. (3) Education cess. (4) Tax on companies. (5) Tax on Professions and callings. (6) Cycle Tax. (7) Scavenging Tax on hotels, places where animals are kept etc. (8) Income from Transport Board.

Under the recommendations reluctantly made, under the force of circumstances, the proposed corporation would have to surrender several of its normal activities to one Authority or another. It is likely that Health Services will be provincialised, with Education to follow suit I presume. The main function of the Corporation would thus be to look after roads, parks and to raise taxes and collect them. It is a confession that Local Self Government has failed. Whether a corporation, clipped of its wings, is worth the trouble and expense involved is a matter for serious consideration.

Ward Offices

Ward offices at other places have proved a success and will prove very useful if properly organised and are well distributed. The proposal should be further developed. To these offices should be attached representatives of Engineering and Sanitation Departments also, to attend to petty complaints. The councillors residing in these wards should form themselves into a committee and associate with them 2 or 3 prominent and active social workers, residing within that area, and formulate proposals to improve conditions in that ward and submit them to the Council

Minute by Mr. P. K. Basu, Financial Adviser, Delhi Province

I came to be associated with the labours of the Committee at a stage when the report had already been drafted and was awaiting final approval by the members. It was certainly not a very convenient moment for becoming associated with the work. The awkwardness of the position in my case is further enhanced by the fact that on several fundamental and important issues I find myself unable to subscribe to the views embodied in the report. There is a special responsibility resting on my shoulders by virtue of the official position held by me. Painful as it is to disagree with colleagues for whose judgment I entertain the highest regard, I owe it to myself and to the office which I hold to set forth my own views clearly and unreservedly. I do so with due respect and apologies to my colleagues in the Committee. My remarks are arranged in accordance with the Terms of Reference

1—The Question of Amalgamation

The Committee have held it to be both desirable and practicable to amalgamate the existing local bodies and to constitute in their place a single municipal administration of the pattern of a Corporation. The advantages of amalgamation have been set forth in paragraphs 52 and 53 of the Report.

The proposed Corporation is to be composed of five existing Local Bodies which are at different stages of progress and the Corporation will be virtually a partnership of unequals. The first tendency of such a partnership will be to impede the progress of the most progressive unit. Theoretically also there will be nothing abnormal in such a development, for an amalgamation to be real and effective must necessarily imply the introduction of a uniform standard of municipal service throughout the entire area covered by the proposed Corporation, and this will necessarily mean the shifting of the incidence of expenditure from the more developed to the less developed area. Further a unit like the Delhi Municipal Area will command a majority of votes in the Corporation on a scheme of adult suffrage, and there can be no doubt from a realistic point of view, that the Councillors returned from Delhi will vote for more expenditure for their own constituencies and it will not be possible to take any objection in principle to such a shifting of the incidence of expenditure. This will, no doubt, exert a downward pull on the standard now being maintained by the New Delhi Municipal Committee for it will be unwise to expect that the proposed Corporation could be able to raise within a reasonably short period, sufficient funds for upgrading the municipal administration of the entire urban area to the standard now maintained by the New Delhi Municipal Committee.

The Committee seem to envisage this difficulty and appear to have provided for it in the last sentence of paragraph 56 wherein they definitely state that within the new Corporation "no part should act as a brake on any other part, and the standard of no unit of the Corporation should be allowed to fall below that which at present obtains". This appears to be mere wishful thinking for no financial or organisational device has been suggested in the Report which will make it possible for the present municipal standards being maintained in the New Delhi area

New Delhi being the capital of India holds a unique position. It should naturally aspire to be a model city for the whole of India to emulate and should not only maintain the present standard but should also progress in line with the great modern capitals of the World. Any arrangement which jeopardises the position of New Delhi as a first class municipal administration will be resented by the whole Nation. It should not be forgotten that in a very real sense New Delhi belongs not to the Delhi

Province but to the whole of India. New Delhi will have to maintain different and a very high scale and standard of municipal service in view of its international position. At the same time it will inevitably lead discontent, dissension and friction, if an attempt is made to maintain separate standard for New Delhi in the scheme of the proposed Corporation.

The problem would not have been so difficult if the Delhi Municipal Committee or the other Local Bodies were maintaining a municipal standard approaching that of the New Delhi Municipal Committee. Shahdara and Mehrauli are semi urban units. Inclusion of these two in the Corporation will further complicate the position.

It should be mentioned in this context that if different standards of service are to be adopted for the different areas in the Corporation it would mean separate budgets, separate establishment etc. for the various units. In other words, much of the advantage of amalgamation will disappear while local jealousies will assume such proportions as to become a serious hindrance to the smooth working of the Corporation.

The co-ordination and rationalisation which are essential for the efficient and economical discharge of the more important municipal functions (*e.g.* water supply, electric supply, sewage disposal etc.), in contiguous regions, is now being provided over the entire urban area, by several ad hoc bodies viz. :—

1. Delhi Improvement Trust.
2. Delhi Central Electric Power Authority.
3. Joint Water and Sewage Board.

The decision of the Committee to allow these *ad hoc* bodies to continue their separate and semi-independent existence as at present and their further recommendation to set up a new Passenger Transport Board would appear still further to weaken materially the case for amalgamation.

For certain other classes of municipal service decentralisation is an advantage and the existence of separate authorities for these services (roads, parks, schools, etc.) provides a form of decentralisation which is essential for a lively sense of self-government. After a certain point increase in size ceases to be an advantage, and may even turn into a disadvantage. It is much easier to manage, control and keep to a high level of efficiency a closely knit and moderate-sized establishment than one which is very large and sprawls over an extensive area. From these points of view the existence of separate local bodies as at present, is no evil at all. There is no point in merely trying to copy the example of other big cities or being carried away by the clamour of prestige, size and things like that.

II—(1) Whether Shahdara and Mehrauli should be included in the new Corporation.

The Committee have recommended the inclusion of Shahdara and Mehrauli within the new Corporation on condition that "the provision of Civil Services and amenities for those areas should be adjusted to the availability of funds" (para. 56). But the facts and arguments set forth in paragraphs 54 and 55 of the Report appear to me to be far too strong against such inclusion. The consideration which apparently weighed with the Committee in deciding upon the inclusion of these areas was the fact that they would afford for further urban expansion of Delhi. But any scheme of expansion and betterment should legitimately fall within the jurisdiction of the Improvement Trust. If the continuing influx of refugee population in Delhi makes it imperative that some of them should be housed in Shahdara and Mehrauli, then the obvious way of assisting these

municipalities would be for the Central Government to give them suitable loans or grants for development, but it would not be wise to bring them within the Corporation so long as they are not sufficiently urbanised

(2) The necessity of special administrative arrangements for New Delhi or any other area

As pointed out above, the concluding sentence of paragraph. 56 of the Report envisages the possibility of different standards having to be adopted for the different units of the Corporation, but no special administrative arrangements have been suggested either for New Delhi or for any other area, though in the case of New Delhi some special arrangement is clearly indicated by the special position of New Delhi as the seat of the Indian Government.

(3) Financial Position of the proposed Corporation

In spite of the very definite statement made in the terms of Reference to the effect that "the new authority will not have the right to levy terminal tax on goods carried by railway"—the Committee have included terminal tax as part of the new Corporation's tax structure (para. 178). There has been no exploration for alternative source or sources capable of yielding approximately the same amount of revenue.

It is very likely that Terminal tax will be a central tax in the new Constitution and the new Indian Parliament may not be inclined to levy such a tax to make over the entire net proceeds to the Delhi Corporation. It is quite well known that this is not a sound form of taxation and it is very unlikely that the Central Legislature will be inclined to make an exception in favour of the Delhi Corporation, if it decides not to levy this tax in the rest of India. Further, Delhi is a distributing centre and therefore the Delhi terminal tax hits not only the consumers in Delhi but also the consumers up country, outside Delhi. This will be an additional reason for the abolition of the Terminal tax for Delhi. The Corporation could levy a direct tax on consumption, but that would be a very different proposition.

Financial picture of the New Corporation

The estimated income of the separate municipalities for 1947-48 is Rs. 162 lakhs and the estimated expenditure Rs. 178 lakhs (Appendix III and IIIA). For the proposed Corporation the estimated expenditure is 273 lakhs (Appendix IV). The gap between this figure and the present income is Rs. 111 lakhs. This gap is proposed to be bridged by a twofold increase of the house-tax and by the imposition of certain new taxes.

It would not perhaps be a bold conjecture that no corporation with popularly elected Councillors would be inclined to or would dare make a sudden twofold increase in the house-tax. Nor would a popular Legislature perhaps support such a phenomenal rise in taxation. The tax might gradually be enhanced to this height no doubt, but that will take years. The estimated income of Rs. 50 lakhs against the present figure of 22 lakhs is much too optimistic.

Entertainment Tax.—This is an old tax which has already been earmarked for grant to the Delhi Improvement Trust for the Poor Class Rehousing Scheme and cannot be available to the Corporation unless an alternative source of income is provided to the Improvement Trust.

Visitors' Tax.—It will be an addition to the already increased railway fare. In sanctioning it Government will have to consider the general question of policy to be followed in the matter. The inclusion of this item in the tax structure of the Corporation is therefore problematic.

Income from Electric Supply.—The Delhi Municipal Committee have at present no distribution licence. It is questionable first of all to suppose that the Delhi Central Electric Power Authority will be willing to surrender to the Corporation its existing distribution licence for the old Delhi area and then be prepared to act as the agent of the Corporation for the distribution of energy on their account. It is also doubtful whether, in terms of its Memorandum of Association the Delhi Central Electric Power Authority can act as an agent of the Corporation for selling or distributing energy generated by itself. The proposal as it stands is of uncertain legal invalidity and thereby loses its appeal as a workable financial proposition. Further, cheap electricity is the *sine qua non* of all plans of nation building. An enlightened and farsighted public policy cannot allow the profit making motive to trespass into this field, for that would be cutting at the root of all industrial and social progress. It is, however, noticed that in the Corporation's Budget a sum of Rs. 38 lakhs is estimated as the earning under Electric Supply. Such a policy of profit making from the distribution of electricity is indefensible in principle. The Corporation if it takes over the Electric Supply, should aim at reducing the rates progressively and eschew the idea of profit as far as practicable.

Taking all things into account the estimated income of the Corporation as given in Appendix IV appears to be far too optimistic. The mere act of amalgamation obviously cannot increase the receipts. It will not possibly lead to reduction of expenditure inspite of the elimination of duplication of posts because there will be an increase in the expenditure in other ways, namely—because of the high salaries proposed for the senior posts and because of the allowances that may have to be paid to the Councillors of the Corporation. There will be a further increase in expenditure when the recommendations of the Pay Commission are given effect to in the various grades of the existing establishment. On the whole, an appreciable increase in expenditure is sure to take place under the heads Pay and Allowances. The assurance of a corresponding increase in income is not however there. On the contrary there has been, in my opinion a very generous over-estimate on the income side under all the heads.

The financial picture of the Corporation on its inception cannot therefore be as bright as it has been made to appear.

**Minute by Sir Arthur Dean, Mr. V. S. Mathur and
Mrs. Hannah Sen**

We are not in agreement with the view of the majority set out in paragraph 49 of the Report, and would press for a two-tier authority for Delhi. The functions of the City Council and the Municipal Committees under the two-tier system, as well as the financial aspect of the proposal, were never gone into thoroughly and the Enquiry Committee, we feel, have come to a conclusion without a proper examination of such an important proposal.

The main objection of the Majority to the proposal is that, "the Central authority will be so far removed from the people that loss of interest in its working is likely, weakening thereby the basis of successful functioning of municipal government". We entirely agree with the majority that close and keen interest of the people in the Municipal Administration is the only basis of successful municipal Government. It is indeed to promote this that we are in favour of a two-tier authority for Delhi. The two-tier scheme is preferable, as what is lost in democratic control of the upper body dealing with co-ordinated services will be more than compensated by the increased voice of the people in the local services provided by each municipal committee and this will be more conducive to the extension of true democracy

Under the proposal made by the majority there would be a single municipal authority—a corporation—for the whole urban area of Delhi spread over about 60 sq. miles, with a population of over one million. The members of the Corporation are to be elected once in four years from a constituency with a population of twenty thousand or more and with about ten thousand voters per constituency. To what extent this authority would be close to the people and what step, if any, they will be able to take to influence its administration, are obvious; for the constituency will be very big and contact between the member and the electorate must necessarily be distant. It is also likely that only persons of wealth and those having a strong propaganda and electioneering machinery at their disposal would be able to get elected to the Corporation. The real representatives of and from the people will seldom have sufficient means for so big an election organization. The proposed Corporation would thus suffer from all the defects of the present municipal administration

Again, if the constituencies are made smaller, say half the size proposed in the Report, the body will have about 170 members and would obviously be too unwieldy. Even a membership of 80, which the Corporation will have under the proposals made by the majority, will be too big and would operate heavily against efficiency and despatch in municipal administration. Indeed some such feeling has prompted the majority in suggesting that *ad hoc* bodies like the Delhi Improvement Trust, the Delhi Joint Water and Sewage Board and the Delhi Central Electric Power Authority should continue to exist as they will promote efficiency. Obviously, however, their existence would militate against popular control for the functions are primarily and patently municipal. The majority were also conscious of the confusion which such a suggestion would create in municipal administration. Later in paragraph 46 of the Report, they observe, "To an extent the existing *ad hoc* authorities like the Delhi Improvement Trust, the Delhi Electric Power Authority and the Delhi Joint Water and Sewage Board will have this effect (of confusing and weakening public interest)

The Report, as will be seen, has suggested that even the Shahdara Municipal Committee be included in the Corporation. We believe that it is not desirable to blend urban and rural communities in a single municipal

authority. There are diversities of interest and growth. We feel that it will be administratively impracticable. However, certain services can be best administered when there is a unified administration. In our opinion, therefore, the suggestion of a City Council would have been very appropriate, as it would have allowed the existing Shahdara Municipal Committee to continue, taking over from it only such functions as are to be carried out by the City Council.

What we want is a system which would have all the advantage of a Corporation without its defects. It is obviously desirable that the administrative unit for subjects of common concern should be large enough to enable the service rendered to be efficient and economical. At the same time, it is also essential that the common man should be able to exercise control in respect of local matters, through his own representatives. The unit should be of such a size as to permit true democracy, rule not merely for but by the people, a chance to assert itself. Both these conditions are best satisfied by a two-tier authority. Our suggestions in brief for municipal administration in Delhi are as follows:—

A. The Municipal Government should be based on the following principles:—(1) That the primary units of administration through elected bodies should be of a size that permits the common man through his representatives, elected on the widest possible franchise, to exercise control as regards policy on those local matters which affect his every day existence; (2) that matters of common concern are by common consent dealt with by an administrative unit large enough to manage them efficiently and economically; and (3) that the day to day operation of the services, through which policy is interpreted and executed is in the hands of permanent servants of the various bodies, and they, while in no way responsible for policy, are completely independent in carrying out the duties laid upon them. There should also be a strict financial and audit control which scrutinizes expenditure and has powers to recover in cases of irregularities

B. Delhi should have one unit of municipal administration for every two lakhs of population. A tentative demarcation of municipal boundaries is suggested in Schedule 2 appended to this note. We also append a map on which the municipal boundaries have been marked (Schedule 3). The whole urban area of Delhi, including Mehrauli, has been divided into seven Municipal Committees. Shahdara due to its geographical position has been suggested to be a unit by itself. This is also necessitated by the recent increase in its population due to the influx of refugees. The areas of those units should be divided into suitable constituencies, so as to permit the return of one member by about 3,000 voters. These Municipal Committees should have the following functions:—

- (a) Sanitation and street cleansing in co-operation with the City Council
- (b) Distribution of filtered water and collection of the bills;
- (c) Collection of house tax;
- (d) Sanction to all building plans on a common set of bye-laws framed by the Council;
- (e) Granting of building completion certificates;
- (f) Registration of births and deaths;
- (g) Licensing of bakeries, butter or ghee factories, halwai shops, meat shops, ice and aerated water factories, licensing of eating houses and restaurants in accordance with the bye-laws framed by the Council.

- (h) Control of nuisances, permission for starting factories, kuttu shops, etc.
- (i) Licensing of offensive and dangerous trades like brick kilns, lime kilns, pottery works, yards or depots for trade in hay, straw, thatching, wood, charcoal, coke or other dangerously inflammable materials like petrol, kerosene oil, etc., and other offensive trades like melting tallow, boiling bones, offal or blood, dyeing and tanneries;
- (j) Licensing of stables for horses, ponies, mules and milch cattle;
- (k) Registration and licensing of lodging houses;
- (l) Licensing of street hawkers;
- (m) Maintenance of libraries and reading rooms;
- (n) Maintenance of baths, wash houses, public latrines;
- (o) Supervision of tanks and wells;
- (p) Taknts, chabutras and road-side leases;
- (q) Vaccination and inoculation.

C. For the remaining functions, which are of common concern, a City Council should be constituted, composed of members indirectly elected through the Municipal Committees, each Municipal Committee being permitted to return four members. The functions of the City Council will be the following among others:—

- (a) Primary Education;
- (b) Medical, running of hospitals and clinics for T. B., venereal diseases, general hospitals and mental hospitals, maternity and child welfare centres;
- (c) Disposal of refuse;
- (d) Engineering, maintenance of main roads, sewers, etc.;
- (e) Maintenance of public parks and gardens;
- (f) Collection of taxes, e.g. terminal tax etc.;
- (g) Food and drugs;
- (h) Water and sewage;
- (i) Electricity;
- (j) Passenger Transport;
- (k) Town Planning and clearance of slums;
- (l) Framing of bye-laws for the guidance of Municipal Committees on subjects like buildings, licensing of factories, halwai shops, control of nuisances, etc.

It is possible that criticism of our proposal may be made on the ground that it may be financially impracticable. We regret that the Committee as a whole should not have examined this aspect before rejecting it. It is obviously very difficult for us to make any estimates of the income and expenditure of the City Council and of the Municipal Committees in the absence of proper data, which was not collected as the Committee as a whole did not go into it. However, we have prepared a rough statement based on the figures given in Appendix IV of the Report, which we append to our note.

The statement shows that the income of the eight Municipal Committees would be about 107.72 lakhs, whereas the expenditure per annum would be 130.25 lakhs. The figure for establishment charges is the aggregate of the establishment expenditure of the seven existing Municipal bodies in Delhi. It will be seen that there will be a total deficit of 22.33 lakhs, which, we suggest, should be made good by payment of grants by the City Council, a provision for which has already been made in our proposed budget.

As mentioned earlier, the estimates for income and expenditure of the Municipal Committees and the City Council have been prepared on the basis of the estimates of income and expenditure of the Delhi Municipal Corporation given in Appendix IV of the Report. We, however, feel that this income could be considerably greater than is shown in those statements. Figures of estimated income from such sources as passenger transport have not been given in Appendix IV, though it is estimated to be Rs. 10 lakhs per year in paragraph 204 of the Report. We have, however, taken it into our calculations. The possible income from various other forms of taxation, mentioned in paragraph 187, have not been considered. Paragraph 188 mentions only five taxes out of the list of seventeen suggested to us by various witnesses. It is possible that some of the taxes suggested in paragraph 187 may not be suitable. We feel, however, that taxes such as those proposed on companies, building applications, transfer and sale of property on racing, urban property tax and sales tax are some, which should be seriously considered and could add substantially to the income of the Municipal Committees and of the City Council.

SCHEDULE 1

DELHI CITY COUNCIL		(Rs. lakhs)
<i>Income—</i>		
1. Terminal Tax		50.00
2. Motor Tax		4.72
3. Entertainment Tax		9.40
4. Visitors' Tax		5.00
5. Petrol Tax		3.00
6. Electricity Supply		87.90
7. Passenger Transport		10.00
8. Provincial Government's Grant		5.80
	Total	175.82

<i>Expenditure—</i>		
1. Education		15.24
2. Medical		6.05
3. Sewage & Refuse Disposal		10.00
4. Maintenance of Roads & Parks		10.00
5. Collection of Terminal Tax		2.50
6. Electricity Supply		37.90
7. Establishment		4.50
8. Payment of Loans		15.00
9. Original Works, improvement in existing services and clearing of streets		41.49
10. Increase in Establishment charges on account of Central Pay Commission's Recommendation		5.00
11. Improvement in existing services		5.01
12. Grant to Municipal Committees		22.53
	Total	175.82

MUNICIPAL COMMITTEES

<i>Income—</i>		
1. House Tax		50.00
2. Other Taxes		4.02
3. Water Supply		36.00
4. Rents & Miscellaneous		17.70
5. Grant from City Council		22.53
	Total	130.25

<i>Expenditure—</i>		
1. General Administration		11.93
2. Public Health		31.77
3. Water Supply		18.82
4. Electricity Consumption (Road Lighting)		4.70
5. Maintenance of Lanes		3.07
Repairs to Buildings		2.51
Free Water		3.02
Miscellaneous		7.43
Increase in Establishment charges on account of Central Pay Commission's Recommendation		15.00
10. Improvement in existing services		32.00
	Total	130.25

SCHEDULE 2

DEMARCATIION OF MUNICIPAL BOUNDARIES

Municipality No. 1.

East—Jumna Western Bank from Railway bridge to the existing Notified Area Committee Northern end.

North—Existing Notified Area Committee north boundary.

West—Existing Western boundary of Notified Area Committee from Azadpur along the Railway line up to Najafgarh Cut, thence along Najafgarh Cut to Mandi Gur (Junction of G. T. Road and Canal Road), thence along Grand Trunk Road (including road) where it meets Pul Mithai.

South—From Pul Mithai along Queens Road up to Lothian Bridge, then along G. T. Road to the Railway bridge at Jumna.

Municipality No. 2.

East—From Mandi Gur along Grand Trunk Road (road exclusive) up to Pul Mithai and then along Qutab Road (road inclusive) up to its junction with Ajmeri Gate Overbridge (Original) Road.

North—From Mandi Gur along Najafgarh Drain up to Rohtak Road.

West—From Rohtak Road, but excluding New Rohtak Road, to Sarai Rohilla Railway Station, then along B. B. & C. I. Railway line to Kishangunj Railway Station (Double Phatak), then along Bahadurgarh Road (in front of Delhi Cloth Mills) up to its junction with Mohalla Shekhan Road (Train Terminus), then along Mohallah Shekhan Road joining Mutiny Memorial Road at the corner of Idgah, then along Mutiny Memorial Road up to its junction with Original Road at Aram Bagh.

South—From Original Road (Ajmeri Gate Overbridge Road) at Aram Bagh along Original Road up to its junction with Qutab Road.

Municipality No. 3.

East—From a point where Bahadurgarh Road and Mohalla Shekhan Road meet along Mohalla Shekhan Road up to Idgah then along Mutiny Memorial Road to Original Road crossing, then turning along Original Overbridge Road, to the point where it meets Qutab Road and then along Qutab Road (excluding road) to its junction with Paharganj Road at Lady Hardinge Sarai.

North—Along west boundary of Municipal Committee No. 2 from Bahadurgarh Road and Mohalla Shekhan Road crossings to Najafgarh Cut.

West—From New Rohtak Road along Najafgarh drain to a point up to road bridge where Najafgarh drain passes under road bridge, along Basi Darapur Road up to the boundary of Pusa Estate, then along the boundary of Pusa Estate up to All-India Radio Station.

South—From All-India Radio Station along the boundary of Pusa Agricultural Research Institute, then along the Pusa Road, linked with a small road to Punchkuian Road up to Chitragupta Road crossing and then along New Delhi and Old Delhi existing boundary line up to Qutab Road Lady Hardinge Sarai.

Municipality No. 4.

East—Right Bank of River Jumna from Delhi Gate Pumping Station to the drain from Purana Qila.

North—From Right Bank of Jumna river from Delhi Gate Pump Station along Circular Road to Ajmeri Gate (Arabic Colliery) thence along the existing boundary line of Old and New I Municipalities up to the junction with the Chitragupta Paharganj Roads along Panchkuian Road, linked with a side Road to Pusa Road then along the southern boundary of I Estates up to the point where Pusa Estate boundary meets with the boundary of Cantonment area.

West—From All-India Radio Station where the boundary of Cantonment area meets with that of Pusa Agricultural Research Institute then along Cantonment area boundary up to Octroi Post Kitchner Road.

South—From Kitchner Road Octroi Post, along Kitchner Road up to a point where it meets storm water drain, then along the storm water drain to the park on Talkatora Road, then along Talkatora Road to junction with Raisina Road then along Queen Victoria Road to Junction with Asoka Road, along Asoka Road, Purā Qila Road, Delhi Mathura Road up to Purana Qila and then to Jumna River.

Municipality No. 5

East—Existing boundary line of New Delhi Municipality.

West—From Octroi Post at Kitchner Road along existing Cantonment area where it turns towards the South.

South—From the point where the Cantonment Existing Boundary takes turn to the South along the existing boundary extending up to and including Mehrauli Notified Area Committee.

Municipality No. 6.

East—Right Bank of Jumna River from Delhi Gate Pumping and Power Station to Railway bridge over Jumna River.

North—From Railway bridge over Jumna along G.T. Road and Queens Road to the junction with Lothian Road.

West—From Queens Road and Elgin Road junction along Chame-demars Road Crossing Chandni Chowk along Esplanade Road, Chawri Bazar and Ajmeri Gate Road to Ajmeri Gate.

South—From Ajmeri Gate along Circular Road to Delhi Gate Pumping Station at the Right Bank of Jumna River.

Municipality No. 7.

East—As per west boundary of Municipality No. 6.

North—From junction of Lothian and Queens Road up to Pul Mithai.

West—From Pul Mithai along Qutab Road to Lady Hardinge Serai.

South—From Lady Hardinge Serai along New Delhi Boundary line to Ajmeri Gate.

Municipality No. 8.

Limits of Shahdara Municipal Committee including the area lying between Jumna River and the Shahdara Municipal area to the east of G. T. Road.

Minute by Sir Sobha Singh

I regret I am not in agreement with my colleagues on certain points and I wish to put down my note as under:—

1. **Special Representation.**—The representation as proposed will in effect give a double, and in the case of some interests, triple vote. When we have agreed to introduce adult franchise, I do not see any justification for special representation which will result in giving preferential treatment to certain interests. I am against special representation in any form of any interest. Further the method of nomination by Government will, I think, adequately safeguard particular interests, if there are any, which may need representation.

2. **Scales of Pay.**—As regards scales of pay proposed, I am afraid I am not wholly in agreement. To me they appear to be rather too high. I would suggest that the maximum pay of the Chief Executive Officer should not exceed Rs. 2,500 per mensem. It may start on Rs. 1,500 or Rs. 1,750

The scales of pay of other officers, who naturally will be subordinate to the Chief Executive Officer should be fixed in relation to their respective responsibility

3. **Finance.**—While I am generally in agreement with the recommendations made on the chapter of Finance, I must make it clear that on principle we should leave it to the Corporation, which will fully represent the democracy of Delhi to determine the quantum of the taxation.

As regards electricity, however, I have one remark to make. There is plenty of scope for the Corporation to increase its income legitimately by increased charges on sale of electricity. I have no doubt that the Corporation will exploit this source fully

Regarding terminal tax, while details should be left to the Corporation, I hope the Corporation will bear in mind that the schedule of taxation under this head is not sufficiently wide and it is well known that many articles which could well be taxed are not being taxed. The result is full advantage is not being taken of this source of taxation.

I would also suggest that ground rents derived from lands in New Delhi and tax from Nazul lands within the Corporation area should go entirely to the funds of the Corporation

LIST OF APPENDICES

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3. III.—Consolidated statement of estimates of income of the Delhi Municipal Committee, New Delhi Municipal Committee, Notified Area Committee, Civil Station, West Delhi Notified Area Committee, Municipal Committee, Shahdara and Notified Area Committee, Mehrauli.
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12. IX-A.—Estimated expenditure on establishment of the different departments of the Delhi local bodies during 1947-48.
13. X.—Statement showing outstanding loans of local bodies in the Delhi urban area on 1st April 1947.
14. XI.—Statement showing outstanding loans of the Delhi Improvement Trust, Delhi Central Electric Power Authority and Delhi Joint Water and Sewage Board on 1st April 1947.
15. XII.—Principal Executive posts in the Delhi local bodies and their scales of pay.

APPENDIX I
QUESTIONNAIRE

General.

1. The various organisations at present dealing with municipal matters in Urban Delhi are:—

- (i) Delhi Municipal Committee.
- (ii) New Delhi Municipal Committee.
- (iii) Notified Area Committee, Civil Station.
- (iv) Notified Area Committee, Fort.
- (v) West Delhi, Notified Area Committee.

There are also:

- (a) The Shahdara Municipal Committee, and
- (b) The Mehrauli Notified Area Committee in the Delhi Province.

Are you satisfied with the working of these bodies? If not, in your opinion what are the defects and what remedies do you suggest?

2. Do you think it is desirable and practicable to amalgamate the existing units and constitute a single municipal administration? What are your arguments for and against this proposal?

3. If your reply to the above is in the affirmative, would you recommend that the Shahdara Municipal Area and the Mehrauli Notified Area should also be included in the jurisdiction of the new authority? If so, will you include only the areas falling within the existing municipal limits or the limits of the Notified Area or also the areas lying between the boundaries of the other existing units?

4. If in your opinion it is both desirable and feasible to constitute a single municipal administration what form in your view should it take—whether a Corporation in supersession of all existing units or a central organisation for the management and control of only those subjects which are of common interest to all existing units such as water supply, electricity, sewerage, main roads, transport, leaving the remaining subjects to the existing units for purposes of administration?

5. What are your views regarding the necessity of strict demarcation between policy on the one hand and administrative and executive functions and powers on the other?

CONSTITUTION, SCOPE, FINANCE AND FUNCTIONS OF THE CORPORATION FORMED ON THE LINES OF THE CALCUTTA, MADRAS, BOMBAY, KARACHI AND LAHORE CORPORATIONS.

6. If it is proposed to have a Corporation on the lines of the Calcutta, Madras, Bombay, or Lahore Corporations:—

- (i) What name would you suggest for the Corporation?
- (ii) (a) What should be the constitution of the Corporation, and on what basis should the constituencies be formed and what should be the number of councillors to be elected from each constituency? What should be the franchise and the system of election?
- (b) Will it be necessary or desirable to reserve any number of seats for any community and if so on what basis?
- (c) Will it be necessary to form any special constituencies and, if so, what should they be? In particular, is it desirable that registered trade unions (if any) or labour organisation (if any) should get specific representations by election? If so, how?

- (d) Should Government be allowed special representation on the Corporation in view of their interests in New Delhi?
- (e) Will special representation be necessary or desirable for any class or interest *e.g.* women, and should it be by nomination or by election either in general or by special constituencies?
- (f) Should the Delhi Improvement Trust, if it continues to function after the setting up of the Corporation, be specially represented on the Corporation?
- (iii) What should be the qualifications for a voter? Should any special educational or property qualification be prescribed for candidates for election?
- (iv) What should be the basis of representation for the Scheduled Castes?
- (v) Is it desirable to have a specific provision for the greater representation of women? If so, to what extent and on what basis?
- (vi) What should be the powers, duties and functions of the Corporation? In particular, should the Joint Water and Sewage Board and the Central Electric Power Authority be abolished and their duties and functions taken over by the Corporation? Should the Corporation take over the duties and functions of the Delhi Improvement Trust also?
 - (a) in complete supersession of the Trust or (b) by exercising any supervisory powers? Should the Corporation take over the organisation of the Transport and/or any other service in the Urban Area of Delhi?
- (vii) What should be the sources of income of the Corporation? What forms of taxation should be permitted to the Corporation?
- (viii) Is it desirable to raise the taxes payable by owners of buildings and lands? If so, to what extent?
- (ix) Is it desirable to tax persons practising any profession or art or carrying on any trade or calling?
- (x) Is it desirable to levy wheel tax on carts licensed to ply on hire in addition to licence fees?
- (xi) Is it desirable to levy a tax payable by the employer on menial domestic servants?
- (xii) Is it desirable to levy a tax on building applications?
- (xiii) Is it desirable to levy a tax on the lines of the Punjab Property Tax?
- (xiv) Is it desirable to provide that the levy of some taxes should be obligatory? If so, specify the taxes.
- (xv) If the new authority will not have the right to levy a terminal tax how should this 'loss' to revenue be met?
- (xvi) What items of expenditure should be classified as obligatory and what as permissible?
- (xvii) In your opinion which model of Corporation Act would best suit conditions in Delhi? What particular subjects would you recommend should be excluded, included or emphasized?
- (xviii) What in your opinion will be the best method of recruiting the staff for the Corporation? Do you think that in the case of higher posts it will be desirable to secure officers on loan from Government on a permanent or temporary basis?

- (xix) Is it your view that the executive should exercise clearly defined Statutory powers? If so, is it your view that the Executive services must function under the control of a Senior official who may be designated "Municipal Commissioner" and whose authority must also have a Statutory basis?

CONSTITUTION, SCOPE, FINANCE AND FUNCTIONS OF A CORPORATION FORMED ON THE ANALOGY OF THE LONDON COUNTY COUNCIL

7 If you prefer to have a central organisation on the analogy of the London County Council instead of supersession of the existing units by a Corporation:—

- (i) What name would you suggest for such an organisation and what subjects should it administer?
- (ii) How should this organisation be constituted? Should it take the form of a Corporation or some other form?
- (iii) (a) Should the members be directly or indirectly elected or nominated or partly elected and partly nominated?
 (b) If elected what should be the franchise?
 (c) Should the electorate be joint or separate community-wise, and if the latter, on what basis?
 (d) Will special representation be necessary or desirable for any class of people or interest?
- (iv) If nominated, should nomination be by existing units or by Government or partly by existing units and partly by Government? Should the nomination be general or community-wise, and if the latter on what basis should the proportion of each community be fixed?
- (v) Would you suggest any change in the composition of and franchise for existing local bodies as a result of the introduction of the proposed superior co-ordinating authority? If so, what?
- (vi) What should be the powers, duties and functions of this organisation and what should be its position *vis-a-vis* the existing units? What, if any, control should be exercised by this organisation over the working of the existing units in their own spheres?
- (vii) What should be the sources of income of this organisation? Who should be responsible for collecting revenue and on what basis? Should there be any distribution of income, or net surplus between the organisation and the existing units and, if so, on what basis? Should the existing units make contribution to the funds of the organisation, and if so, on what basis?
- (viii) What means would you suggest for increasing the revenue in order to effect the necessary improvements in the various social, medical, health, educational and other services?
- (ix) In what manner should the funds of the organisation be applied and on which items may they be applied? That is, what should be its obligatory responsibilities and which, if any, should be optional?

Statement containing some information regarding the Corporations of Madras, Bombay, Committees, Executive,

S. No.	Name of Corporation.	Population.	No. of wards.	No. of Councillors and how chosen.	Term of office of Councillors.	Qualifications of voters.	Qualifications of candidates.
1	2	3	4	5	6	7	8
1	Madras	11 lakhs	50	85 councillors, (all elected) including 5 Alderman. Electorates are joint with reservation of seats for Muslims, Scheduled Castes, Indian Christians, Anglo-Indians and Women.	3 years.	(1) Payment of Motor Vehicles Tax, Profession Tax or Property Tax, or (2) Sole tenancy of house in respect of which property Tax has been paid, ability to read and write in English, Sub-Commissioned Officer or soldier. (3) In the case of Scheduled Castes, a person who pays, holds or occupies a building of an annual value of Rs. 18/-. (4) Age 21 years. (5) Residence in the City for 120 days.	(1) Inclusion of name in the electoral roll.
2	Bombay	25 lakhs	34	117, of whom 106 are elected by general constituencies, 8 by special constituencies and 3 are <i>ex-officio</i> , namely the Police Commissioner, the Executive Engineer, Presidency Division P. W. D. and the Chairman of the Board of Trustees of the Port of Bombay. The electorate is joint.	4 years.	1. Enrolment as a voter. 2. Age 21 years. 3. Residence in Bombay for six months. (Adult suffrage has been introduced).	As for a voter.

DIX II

Calcutta and Karachi, their Constitution, Area and Population served, Wards, Standing their powers, etc.

Special Constituencies. 9	Standing Committees. 10	Power of Standing and other Committees. 11	Statutory powers of the Executive. 12
<ol style="list-style-type: none"> 1. Labour. 2. Commerce & Trade. 3. University. 4. Madras Port Trust. 5. M. & S. M. and S. I. Railways. 	<ol style="list-style-type: none"> 1. Accounts Committee. 2. Education Committee. 3. Health Committee. 4. Taxation and Finance Committee. 5. Town Planning and Improvement Committee. <p>Each of the above Committees consists of seven members.</p>	<p>Among the powers and duties of the Standing Committees are the power to entertain and dispose of appeals from any Municipal officer or servant in receipt of a monthly salary of not less than Rs. 50/- p. m. against any order of the Commissioner, reducing, removing, dismissing or suspending him, to supervise the utilization of the budget grants, to have access to the accounts of the Corporation and to require the Commissioner to furnish any explanation deemed necessary regarding the receipts and expenditure of Municipal funds, to conduct monthly audit of Municipal accounts, to write off the amount of any loss or any depreciation caused to Municipal property and to prepare a budget estimate of the income and Expenditure of the Corporation after considering the proposals of the Commissioner.</p>	<p>The Executive consists of the following principal Officers:—</p> <ol style="list-style-type: none"> 1. Commissioner, 2. Health Officer, 3. Special Officer, 4. Engineer, 5. Electrical Engineer, 6. Chief Accounts Officer, 7. Revenue Officer, and 8. Water Works Engineer. <p>The executive power for the purpose of carrying out the provisions of the Act vests in the Commissioner. All other officers are subordinate to him. He is appointed by Government and can be removed by Government or by a special majority of members of the Council. He has wide powers which he is authorized to delegate where necessary. He makes appointments to all posts except those where the maximum salary exceeds Rs. 500/- p. m. The other officers are appointed by the Corporation subject to confirmation by the Provincial Government. They may be removed from office by the Provincial Government.</p>
<ol style="list-style-type: none"> 1. Chamber of Commerce. 2. Mill Owners' Association. 3. Port Trust of Bombay. 4. Labour. 5. University. 	<p>Statutory Committees. Standing Committees.</p> <ol style="list-style-type: none"> 1. One Standing Committee consisting of 16 members, twelve appointed by the Corporation and 4 by the Provincial Government. 2. Improvements Committee consisting of 16 councillors, 12 appointed by the Corporation and 4 appointed by the Provincial Government. 3. A School Committee of sixteen members. <p><i>Special Committees</i></p> <ol style="list-style-type: none"> 1. The Works Committee. 2. The Medical Relief and Public Health Committee. 3. Markets and Gardens Committee. 4. Law, Revenue and General Purposes Committee, and 5. The Tramway Telephone Committee. 	<ol style="list-style-type: none"> 1. The Standing Committee is the principal Committee of the Corporation. It is autonomous except in matters about which it is obliged by the Act to seek the decision of the Corporation as a whole. It is in close touch with the administrative activities of the Corporation as a whole like staff, services etc. It also deals with finance budget and establishment. 	<p>The Executive consists among other, of</p> <ol style="list-style-type: none"> 1. The Municipal Commissioner. 2. Two Deputy Commissioners. 3. Chief Engineer. 4. Executive Health Officer. 5. Hydraulic Engineer. 6. The Municipal Secretary. 7. The Chief Auditor. <p>The Municipal Commissioner is appointed by the Provincial Govt. for a renewable period of three years. He can be removed by the Provincial Government on a vote of 64 members of the Corporation. The Provincial Government can of course remove him at any time for misconduct and neglect of duties. He is the head of the executive and the entire executive power for the purpose of carrying out the provisions of the Act vests in him. All officers of the Corporation are subordinate to</p>

S. No.	Name of Corporation.	Population.	No. of wards.	No. of Councillors and how chosen.	Term of office of Councillors.	Qualifications of voters.	Qualifications of candidates.
1	2	3	4	5	6	7	8
	Calcutta	35 Lakhs.	32	95, 85 elected, 8 appointed by the Provincial Government and five Aldermen elected by the Councillors out of their own number. The electorate is separate for Muslims and non-Muslims.	3 years.	<ol style="list-style-type: none"> 1. Age 21 years. 2. Payment of not less than Rs. 12 as the consolidated rate, or 3. Payment of Rs. 12 as licence tax or fee, or 4. Payment to the Provincial Government of not less than Rs. 12 as Motor Tax, or 5. Payment of rent at a rate not less than Rs. 25 per month for 6 months, or 6. Being the owner of a hut in a bustee in respect of which not less than Rs. 12 has been paid as consolidated rate. 	As for 8 appoint VOTER

Special constituencies.	Standing and other Committees.	Powers of Standing and other Committees.	Statutory powers of the Executive.
9	10	11	12
<p>1. LABOUR. 2. Trade & Commerce. 3. Port Trust.</p>	<p>1. Building Committee. 2. Estates and General Purposes Committee. 3. Finance Committee. 4. Public Health Committee. 5. Special Utility and Markets Committee. 6. Roads and Bustees Sub-Committee. 7. Services Committee. 8. Water Supply Committee. 9. Works Committee. A Standing Committee may not consist of more than 12 members and no Councillor or Alderman can be a member of more than two Standing Committees. In addition to the above Committees there is a Primary Education Standing Committee consisting of not more than six councillors or Aldermen and of persons not exceeding three in number who may be associated with the Committee by the Corporation. There are also District Standing Committees and Special Committee to which persons can be appointed as full members with right to vote.</p>	<p>Standing Committees have been delegated final powers in regard to some matters, for instance, the power to appoint officers and municipal servants, to sanction the creation of posts of which the maximum pay exceeds Rs. 175 and does not exceed Rs. 750 p.m., the power to accept resignation of officers whose maximum pay is above Rs. 175 and the power to create temporary appointments for a period of six months on a salary exceeding Rs. 175 but not exceeding Rs. 500. There are matters in respect of which the Standing Committees have powers only of recommendation to the Corporation, for example, to recommend for appointment to posts of Chief Executive Officer, Deputy Executive Officer, Chief Engineer, Chief Accountant, Health Officer and Secretary and to suggest the terms of appointments to posts the maximum of which exceed Rs. 750.</p>	<p>him except the Municipal Secretary and the Chief Auditor. The Municipal Commissioner has power of making appointment to posts upto Rs. 500. He has power also of creating temporary posts for periods not exceeding 6 months subject to ratification by the Corporation. The Corporation is entitled under the Act to call for any information it likes from the Municipal Commissioner and he is bound to furnish it. The activities of the Corporation are restricted to policy questions and the executive is in charge of the day-to-day administration.*</p> <p>The executive consists of</p> <ol style="list-style-type: none"> 1. Chief Officer. 2. Chief Engineer. 3. Chief Accountant. 4. Health Officer. 5. Secretary. <p>The Chief Executive officer is the principal executive officer of the Corporation and all other officers are subordinate to him. He is appointed by the Corporation with the approval of the Provincial Government and can be removed by the Corporation subject to the approval of the Provincial Government.</p> <p>His power of appointment is limited to posts the maximum of which does not exceed Rs. 40 per month. The powers delegated by the Corporation do not include powers in respect of leave, discipline, promotion, etc. Officers other than the Chief Executive Officer can be appointed and removed by the Corporation subject to the approval of the Provincial Government.</p>

*The other officers referred to above can be appointed and removed by the Corporation subject to the approval of the Provincial Government.

S. No.	Name of Corporation.	Population.	No. of Wards.	No. of Councillors and how chosen.	Terms of office of Councillors.	Qualifications of voters.	Qualifications of candidates.
1	2	3	4	5	6	7	8
4	Karachi	5.5 lakhs	8	78 (all elected) Election is community-wise.	4 years.	<ol style="list-style-type: none"> 1. Age 21 years. 2. Payment of monthly rental of Rs. 1 p.m. for six months, or 3. Payment of Rs. 12 as taxes other than toll tax. 4. Residence for six months, or 5. Fellow or a graduate of a University, or 6. Advocate or pleader or a Junior Assessor. 	<ol style="list-style-type: none"> 1. Enrolment in the electoral register.

Special consti- tuencies.	Standing and other Committees.	Powers of Standing and other Commit- tees.	Statutory powers of the Executive.	Income and Expenditure for 1945-46 (Lakhs).
9	10	11	12	13
<p>1. Commerce and Trade. 2. Port Trust. 3. Labour.</p>	<p><i>Statutory Committees.</i> 1. One Standing Committee consisting of 12 councillors. 2. Public Works Committee. 3. Public Health and Markets Committee. There is provision in the Act for the appointment of Special Committees not exceeding seven in number. There are actually six such Committees now.</p>	<p>The principal Committee is the Standing Committee which has wide powers in the matter of the disposal of land, finance and appointments. It has also the powers to appoint Municipal Officers or servants whether permanent or temporary whose monthly salary is not less than Rs. 200 but is less than Rs. 500 per month.</p>	<p>Executive consists among others of:— 1. A Chief Officer. 2. Deputy Chief Officer. 3. Health Officer. 4. Auditor. 5. Chief Engineer or Engineer. Subject to the approval or sanction of the Corporation or the Standing Committee and subject also to other conditions and limitations, the entire executive power vests in the Chief Officer who is appointed by the Corporation with the approval of the Provincial Government for a renewable period of 5 years. He is removable by a vote of two thirds of the total number of councillors. He has the power of appointing Municipal officers and servants whose monthly salary is less than Rs. 200 p.m. He has also the power of making temporary appointments, where the salary exceeds this limit, for a period of not exceeding two months. The other officers are subordinate to him. The Chief Engineer, Engineer, Health Officer and Auditor are also appointed by the Corporation, subject to the approval of the Provincial Government.</p>	<p>68.96 75.13</p>

APPENDIX III

Consolidated statement of estimates of income of the various local bodies in Delhi for the year 1947-48

S. No.	Particulars	Delhi Municipal Committee	New Delhi Municipal Committee	Notified Area - Committee, Civil Station	West Delhi Notified Area Committee	Municipal Committee, Shahdara	Notified Area Committee, Mehrauli	Grand Total
1	2	3	4	5	6	7	8	9
		(in lakhs)	(in lakhs)	(in lakhs)	(in lakhs)	(in lakhs)	(in lakhs)	(in lakhs)
1	House Tax	11·000	10·000	·840	..	·200	075	22·115
2	Terminal Tax	33·400	4·000	·400	·050	1·000	..	38·850
3	Motor Tax	2·500	1·720	·500	..	..	..	4·720
4	Other Taxes	1·680	·140	·048	·350	·085	258	2·521
5	Fines	1·120	·450	·010	..	..	..	1·580
6	Licence Fees	·985	·300	009	..	..	..	1·294
7	Rents	4·700	1·960	·586	..	·043	003	7·292
8	Lodi Golf Club . . . . .	..	·300	..	..	..	..	·300
9	Electric Supply . . . . .	..	40·390	..	..	..	..	40·390
10	Cattle Ponds	·130	·420	·130	..	·045	..	·725
11	Education Fees	·187	·500	·050	..	·060	·078	·975
12	Medical Fees	·034	·620	..	..	..	..	·654
13	Water Supply	14·757	13·730	2·380	..	·086	..	30·933
14	Veterinary Hospital	·050	·160	..	..	..	..	·210
15	Provincial Government's Grants	3·886	1·050	·360	..	·190	·319	5·805
16	Miscellaneous Receipts	2·437	·400	·689	..	·194	·024	3·744
	Total	76·846	76·140	9·002	·400	1·863	·757	162·008
17	Suspense	12·690	10·000	2·000	..	·045	·005	24·741
18	Opening Balance	13·031	14·180	1·000	·070	·163	·230	28·684
	GRAND TOTAL	102·567	100·330	9·002	·470	2·071	·992	215·433

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APPENDIX III-A

*Consolidated statement of estimates of expenditure of the various local bodies
in Delhi for the year 1947-48*

Serial No.	Particulars	Delhi Municipal Committee (in lakhs)	New Delhi Municipal Committee (in lakhs)	Notified Area Committee, Civil Station (in lakhs)	West Delhi Noti- fied Area Committee (in lakhs)	Municipal Committee, Shah- dara (in lakhs)	Notified Area Committee, Meh- rauli (in lakhs)	Total
1	General	9·230	3·605	·616	·300	·266	·117	14·434
2	Education	11·044	3·040	·432	..	·314	·414	15·244
3	Medical	3·670	2·263	·068	..	·053	..	4·059
4	Public Health	21·406	9·412	1·633	..	·675	·100	33·586
5	Water Supply	11·408	6·300	1·032	..	·059	..	18·829
6	Electric Supply	2·000	20·950	·570	..	·065	·051	23·636
7	Engineering Deptt.	1·317	..	..	..	·021	·010	1·348
8	Repairs to Bldgs.	1·384	1·000	·180	..	..	..	2·514
9	Maintenance of Roads	3·250	5·800	·640	..	·050	..	9·740
10	Maintenance of Parks	·008	2·900	·420	..	..	..	3·328
11	Cheap grain	·700	·540	..	..	..	..	1·240
12	Law charges	·110	·030	·010	..	·080	·001	·231
13	Audit fee	·161	·020	·007	..	..	..	·188
14	Grants	1·857	·385	·154	..	..	..	2·396
15	Repayment of loans	·319	6·720	..	..	·030	..	7·069
16	Fire	·500	·300	..	..	..	..	·800
17	Free Water	2·275	·750	..	..	..	..	3·025
18	Sewage disposal	4·870	2·640	·680	..	..	..	8·190
19	Veterinary	·128	·180	·002	..	..	·016	·326
20	Miscellaneous	·836	..	..	..	..	..	·836
	Total	76·444	67·140	6·753	·300	1·629	·753	153·019
21	Original works	7·690	11·500	·050	..	·312	..	19·552
22	Suspense	14·295	10·000	1·250	..	·035	..	25·580
23	Reserve for unforeseen	..	..	..	..	·052	·020	·072
24	Closing balance	4·138	11·690	·950	·170	·043	·219	17·210
	GRAND TOTAL	102·567	100·330	9·003	·470	2·071	992	215·433

APPENDIX IV

Estimates of income and expenditure of the Delhi Municipal Corporation

INCOME		(Rs. in lakhs)
1. House Tax	. . . . .	50·00
2. Terminal Tax	. . . . .	50·00
3. Motor Tax	. . . . .	4·72
4. Entertainment Tax	. . . . .	9·40
5. Visitors' Tax	. . . . .	5·00
6. Petrol Tax	. . . . .	3·00
7. Other Taxes	. . . . .	4·02
8. Electricity Supply	. . . . .	87·90
9. Water Supply	. . . . .	36·00
10. Rents and Miscellaneous	. . . . .	17·70
11. Provincial Government's Grants.	. . . . .	5·80
	Total	273·54

EXPENDITURE		
1. General Administration	. . . . .	14·43
2. Education	. . . . .	15·24
3. Medical	. . . . .	6·05
4. Public Health	. . . . .	33·58
5. Electricity Supply	. . . . .	37·90
6. Water Supply	. . . . .	18·82
7. Electricity Supply (Road Lighting)	. . . . .	4·70
8. Maintenance of Roads and Parks	. . . . .	13·07
9. Repairs of Buildings	. . . . .	2·51
10. Miscellaneous	. . . . .	7·36
11. Payment of Loans	. . . . .	15·00
12. Free Water	. . . . .	3·02
13. Sewage Disposal	. . . . .	8·19
14. Increase in Establishment charges on account of Central Pay Commission's Recommendations	. . . . .	20·00
15. Improvement in existing services	. . . . .	37·61
16. Original Works and clearing of slums	. . . . .	36·06
	Total	273 54

NOTES

INCOME

1. Doubling of existing taxation on the basis of current estimates should yield Rs. 44·22 lakhs. An increase of Rs. 5·78 lakhs is also provided for.

2. Provides for an increase of Rs. 11·15 lakhs on the estimates of the current year.

4. Estimated income during 1947-48 of the Provincial Government on this account is Rs. 9·50 lakhs. Collection charges are put down at Rs. 10,000.

5. This is based on the number of 1st, 2nd and 3rd class passengers who arrived in Delhi and New Delhi during the year 1945-46. The estimate has been increased by Rs. 50,000 only.

6. Based on estimates prepared by the Delhi Municipal Committee in respect of the area within their jurisdiction in connection with a Resolution which has been adopted by them in favour of levy of a surcharge on petrol duty.

7. This includes Rs. 50,000 on account of Advertisement Tax, and Rs. 1,00,000 on account of a tax on Hawkers.

8. The estimated net income of the New Delhi Municipal Committee on electricity supply during 1947-48 is Rs. 21.44 lakhs. An equivalent amount has been allowed on account of the Delhi Municipal Committee though that Committee does not at present have a distribution licence. A further sum of Rs. 7.12 lakhs has also been provided for.

9. Water Supply: Income under this head during 1947-48 is estimated at Rs. 30.93 lakhs. Unified rates, metering of connexions in Delhi and other areas where they are non-existent and higher rate for supply of free water for purposes other than domestic use are estimated to increase the income by about Rs. 5 lakhs.

EXPENDITURE

1. Estimates for 1947-48 have been allowed to stand though economies are possible. Better supervision and higher direction involving better paid principal executive posts are allowed for.

6. A sum of Rs. 171 lakhs has been added on account of a small staff for assisting in the elimination of wastage of water.

11. Includes a sum of Rs. 8 lakhs on account of loan charges in respect of nearly a crore of rupees required to provide water and electricity to Shahdara and Mehrauli and a new bridge on the Jumna.

15. This represents a 25 per cent. increase in the estimated expenditure on items 2 to 10 and 12 to 13.

APPENDIX V

Comparative Statement of Taxes levied by the various Corporations in India during 1945-46 and 1947-48

Madras		Bombay	
Tax	Rate at which levied	Tax	Rate at which levied
1. Property Tax including tax for general purposes, water and drainage tax and lighting tax.	Ranges from 16½ to 20 per cent. of the total value of the buildings, etc.	1. General Tax (including Property tax, Fire Tax and Conservancy Tax).	21½ per cent. of the annual valuation of all lands and buildings.
2. Education Tax	12 per cent. of the Property Tax rate.	2. Town Duty	According to an approved schedule attached to the Act varying from As. 2 per Khandi of firewood to As. 10 for a maund of ghee.
3. Tax on Companies	The tax is leviable according to a schedule based on paid up capital and ranges from Rs. 25 to Rs. 1,000 per half year.	3. Tax on Vehicles and animals	Varies from Rs. 22-8-0 per quarter for a four wheeled rubber tyre carriage to Rs. 60 for a four-wheeled vehicle of 12 tons capacity. For non-rubber tyres the rates vary from Rs. 33-12-0 for a four-wheeled carriage of 2 tons to Rs. 60 for 12 tons carriage. Rates for animals vary from Rs. 2 for a donkey to Rs. 8 for a horse or mule

4. Profession Tax	Varies from Re. 1 to Rs. 25 per half year according to the status of persons or Institutions not covered by the Tax on Companies.	4. Urban Immovable Property Tax.	per quarter. Rates for machine driven vehicles vary from Rs. 8 to Rs. 40 according to capacity.
5. Tax on carriage and animals	Ranges from Rs. 2 for a dog to Rs. 15 for an elephant and Re. 1 for a cycle to Rs. 100 for a tram car.	5. Dog Tax	Recoverable half yearly at a fixed rate.
6. Advertisement Tax	Varies from -/-/6 to Rs. 2-8 for a week and from -/8/- to Re. 1 for a calendar month and from Rs. 4 to Rs. 5 for a year.	.....
7. Timber Tax	Ranges from Re. 1 to Rs. 5 per pucca timber.	.....
8. Entertainment Tax	The tax is levied by the Provincial Government and paid to the Corporation after deducting the collection charges.	.....
9. Duty on Transfer of Property	Leviable upto 5 per cent. on the amount of value, or consideration, etc. It is charged at 2 per cent. to 3 per cent. at present.	.....

APPENDIX V—contd.

Calcutta		Karachi	
Tax	Rate at which levied	Tax	Rate at which levied
1. Consolidated rate	19½ per cent. of the annual value of buildings including ¼ per cent. for Howrah Bridge Tax. For the year 1947-48 the tax is leviable at 21½ per cent. including Howrah Bridge Tax.	1. Property Tax (including General Tax, Water Tax, Conservancy Tax).	19½ per cent. of the total value of the buildings, etc.
2. Motor Tax and Wheel Tax	Ranges from Rs. 2 for a rickshaw per year to Rs. 12 for a four-wheeled carriage.	2. Terminal Tax	Ranges from Re. -/-/3 for children's footwear to Rs. 6-4-0 for a wagon full of dry grass and kirbee weighing 20 tons.
3. Dog Tax	Rs. 5 per dog per annum	3. Tax on vehicles and animals.	Ranges from Rs. 2 for wheeled vehicles drawn by horse or donkey, etc., to Rs. 60 per quarter for wheeled vehicles weighing over 12 tons. For animals the tax varies from Rs. 8 per quarter on horse to Rs. 2 for a donkey As. 8 per dog! for registration and As. 4! for metallic disc.
4. Profession Tax	The tax ranges from Rs. 12 to Rs. 500.	4. Dog Tax.	.....
5. Scavenging Tax	The tax is payable by hackney carriage owner, carter, milk seller, horse dealer, owner and occupier of a market, etc., and is levied at rates ranging from Rs. 12 for the keeping of a donkey or swine, cow and buffalo to Rs. 6 for keeping a horse not to be used in a hackney carriage.

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APPENDIX VI

Statement showing taxes levied by the various local bodies in Delhi

	House Tax		Terminal Tax		Motor Tax		Toll Tax on Vehicles and Animals		Wheel Tax and Hackney Carriage Tax		Water Rate	
	1938-39	1945-46	1938-39	1945-46	1938-39	1945-46	1938-39	1945-46	1938-39	1945-46	1938-39	1945-46
	Lakhs	Lakhs	Lakhs	Lakhs	Lakhs	Lakhs	Lakhs	Lakhs	Lakhs	Lakhs	Lakhs	Lakhs
Delhi Municipal Committee	3.61	9.26	16.80	12.60	1.05	2.39	0.14	0.20	0.09	0.43	5.57	12.36
New Delhi Municipal Committee.	2.09	8.21	1.37	3.16	0.84	1.77	..	..	0.16	..	4.51	11.95
Notified Area Committee, Civil Station.	0.36	1.22	0.32	0.40	0.20	0.45	..	..	..	0.05	1.07	2.44
Notified Area Committee, Fort.	..	..	0.05	0.05	..	..	..	..	0.03	0.04	..	..
Notified Area Committee, Mehrauli.	0.04	0.06	..	..	..	..	..	0.08	..	..	..	..
Municipal Committee, Shahdara.	..	0.12	0.29	0.53	..	..	0.03	0.03	0.01	..	0.01	0.03
West Delhi Notified Area Committee,	..	..	..	..	..	..	..	..	..	..	..	..
Total	6.10	18.87	18.83	6.74	2.09	4.61	0.17	0.31	0.29	0.52	11.16	26.78

APPENDIX VII

Statement showing arrears of taxes of the Delhi Municipal Committee during the period 1935-36 to 1944-45.

Year	Net demand	Arrears	Percentage of arrears to net 'demand'
1	2	3	4
	Rs.	Rs.	Per cent.
1935-36	9,95,955	1,99,075	20
1936-37	10,02,373	1,90,976	19
1937-38	10,37,940	1,67,363	16
1938-39	11,10,122	1,86,847	17
1939-40	11,04,989	2,04,805	18½
1940-41	11,69,471	2,04,123	17½
1941-42	12,99,276	2,64,485	20½
1942-43	13,15,699	2,01,311	15½
1943-44	13,44,484	2,20,249	16½
1944-45	20,77,934	2,56,878	12½

APPENDIX VII-A

Statement showing arrears of taxes of the Notified Area Committee, Civil Station, during the period 1937-38 to 1946-47.

Year	Net demand'	Arrears	Percentage of arrears to net 'demand'
1		3	4
	Rs.	Rs.	Per cent.
1937-38	78,564	2,454	2½
1938-39	70,862	1,121	1½
1939-40	87,773	1,261	1
1940-41	92,732	515	1
1941-42	91,673	74	..
1942-43	1,08,963	21	..
1943-44	1,13,825	145	..
1944-45	1,80,256	471	..
1945-46	2,20,275	33,996	16
1946-47	2,12,445	63,575	30

APPENDIX VIII

Estimated cost of establishment in the various Municipal Corporations in India (1947-48)

Particulars	Delhi	Karachi	Lahore	Bombay	Calcutta	Madras
General Department	12.19	11.76	9.89	27.15	25.83	8.38
Education	11.31		7.41	1.16	13.07	68
Medical	2.79	3.13	1.26	14.68	1.04	2.56
Health	23.42	18.26	11.92	68.62	52.75	11.31
Electric	5.12	.07	..		4.78	1.32
Water Supply	2.36	1.53	2.78	8.36	9.69	1.51
Engineering Department	1.27	3.61	1.43	20.28	8.73	3.42
Veterinary Department . . . . .	.12	..	03	..	..
Sewage Department . . . . .	..	1.41	..	..	..	1.54
Commercial Museum and Public Department	..	..	..	..	1.27	1.76
Total	58.58	39.67	34.72	140.25	117.16	32.48
A.—Total Income	159.39	84.46	65.81	596.39	372.87	192.01
B.—Total Expenditure	159.39	90.00	69.00	598.85	421.34	195.70
Total A & B	318.78	174.46	134.81	1195.24	794.21	387.71
Percentage of establishment over total income	36.8%	46.9%	52.7%	23.5%	31.4%	16.8%
Percentage of establishment over total expenditure	36.8%	44.0%	50.3%	23.4%	27.8%	16.5%

APPENDIX IX

Co-operative statement of expenditure on establishment in the various local bodies in Delhi during 1933-39, 1945-46 and 1947-48.

Name of the local body	Expenditure (in lakhs).		1947-48 (Estimates).
	1933-39	1945-46	
1. Delhi Municipal Committee . .	9.99	30.46	6.13
2. New Delhi Municipal Committee . .	5.94	7.14	8.75
3. Notified Area Committee, Civil Station . .	0.44	0.79	2.14
4. Municipal Committee, Shahdara . .	0.15	0.49	1.04
5. Notified Area Committee, Fort . .	0.10	0.15	
6. Notified Area Committee, Mehrauli . .	0.02	0.08	51
Total	16.64	39.11	58.57

APPENDIX IX-A

Estimated Expenditure on establishment of the different Departments of the Delhi local bodies during 1947-48

Serial No.	Particulars	New Delhi Municipal Committee	Delhi Municipal Committee	Notified Area Committee, Civil Station	Municipal Committee, Shahdara	Notified Area Committee, Mehrauli	Total
1	2	3	4	5	6	7	8
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1.	General Department	2,66,600	6,26,083	33,050	23,500	9,800	19,58,833
2.	Education	2,10,400	9,14,329	38,330	29,400	33,900	12,26,359
3.	Medical	84,200	1,88,223	1,625	..		2,74,248
4.	Public Health	7,15,500	14,97,162	1,28,050	47,000	7,400	23,95,112
5.	Water Supply	83,000	1,31,266	7,190	2,000		2,23,456
6.	Veterinary Department	6,600	5,328	..	..		11,928
7.	Electrical Department	4,69,000	28,764	..	..		4,97,764
8.	Engineering Department . . . . .	..	1,25,750	..	2,100	100	1,28,950
9.	Provident Fund	40,000	95,400	6,000	..		1,41,400
	GRAND TOTAL	18,75,300	36,13,305	2,14,445	1,04,000	51,000	58,58,050

APPENDIX X

Outstanding loans of local bodies in the Delhi urban area on 1-4-1947.

	Rs.
1. Delhi Municipal Committee	3,87,000
2. New Delhi Municipal Committee	89,34,000
3. Municipal Committee, Shahdara	15,000
4. Notified Area Committee, Fort . . . . .	..
5. Notified Area Committee, Civil Station . . . . .	..
6. Notified Area Committee, Mehrauli . . . . .	..
7. West Delhi Notified Area Committee . . . . .	..
Total	<u>93,36,000</u>

APPENDIX XI

Outstanding loans of the Delhi Improvement Trust, Delhi Central Electric Power Authority and Delhi Joint Water and Sewage Board on 1-4-1947.

	Rs.
1. Delhi Improvement Trust	55,88,000
2. Delhi Central Electric Power Authority	1,39,50,000
3. Delhi Joint Water & Sewage Board	1,01,17,000
Total	<u>2,96,55,000</u>

APPENDIX XII

Principal Executive posts in the Delhi local bodies and their scales of pay.

Serial No.	Designation:	No. of posts.	Scales of pay
1.	Secretaries	3	(1) Pay Rs. 638/- plus Rs. 105/- C. A. (N. D. M. C.). (2) Rs. 800—850 plus Rs. 212/8/- (D.M.C.) Deputation allowance plus Rs. 227/- Leave & Pension contribution plus Rs. 150/- C.A. (3) Rs. 100/- plus Rs. 75/- C.A. (N.A.C.).
2.	Assistant Secretaries	6	(1) Two posts Rs. 300—25—500 plus Rs. 75/- S.P. to one (N.D.M.C.) plus Rs. 75/- C.A. (2) Two posts Rs. 300—15—450 plus Rs. 75/- C.A. (D.M.C.) (3) Honorarium Rs. 35/- (N.A.C.) (4) One post Rs. 300—15—450 plus Rs. 150/- C.A. (D.M.C.).
3.	Chief Accountant	1	Rs. 300—25—400 (N.D.M.C.)
4.	Electrical Engineer (N.D.M.C.)	1	Rs. 1,250—50—1,600 plus Rs. 200 S.P. plus Rs. 125 C.A.
5.	Distribution Engineer (N.D.M.C.)	1	Rs. 750—25—850—50—950.
6.	Assistant Distribution Engineer, (N D.M.C.)	4	Rs. 250—275—350—25—450—500 plus Rs. 75 C.A.
7.	Superintendents (Municipal Committee, Delhi Education).	2	(1) Rs. 500—25—650 plus Rs. 125 C.A. (2) Rs. 250—15—400 plus Rs. 75 C.A..
8.	Medical Officer of Health (D.M.C.)	1	Rs. 750—1,000 plus Rs. 150 C.A.
9.	Assistant Medical Officer of Health	4	(1) Rs. 250—500 plus Rs. 100 C.A. (D.M.C.). (1) Rs. 300—25—450—25—600—50—650 plus Rs. 100 C.A. (N.D.M.C.). (1) Rs. 275—15—470—15—500 plus Rs. 100 C.A. (N.D.M.C.) (1) Rs. 275—15—470—15—500 plus Rs. 65 C.A. (N.A.C.).
10.	Superintendent Maternity & Child Welfare (2).		(1) Rs. 300—450 plus Rs. 10 C.A. (D.M.C.) (2) Rs. 250—15—400—20—500 plus Rs. 75 C.A. (N.D.M.C.)

SUMMARY OF THE COMMITTEE'S CONCLUSIONS.

The following is a summary of the more important of the conclusions arrived at by the Committee:—

(1) While we can aim only at what is practicable, any solution of the problems of municipal government in the Delhi urban area must satisfy some general principles which are fundamental in municipal administration. (Paras. 39-41)*.

(2) Efficiency and economy have suffered as a result of individual efforts made by the local bodies in the Delhi urban area to maintain the necessary municipal services. Co-ordinated municipal activity has therefore become necessary. (Para. 42)*.

(3) A two-tier authority on the model of the London County Council will weaken public interest, which is the indispensable foundation of successful local self-government, as the central authority proposed will be far removed from the people. There is the further objection that members of that authority will be chosen by indirect election, that is, through existing local bodies. A single municipal authority is, therefore, desirable. In fact, it has become clear that the responsibility of administering municipal services over the Delhi urban area cannot be adequately discharged except through such authority. (Paras. 46-48)*.

(4) There are weighty objections to the inclusion of Shahdara and Mehrauli in the jurisdiction of a single municipal authority, but pressure of population and the need for ensuring orderly development of areas round about Delhi make such inclusion desirable and necessary. The finance required to meet expenditure involved in the provision of adequate municipal services should be met by a Betterment Tax. The rate of progress in such provision should, however, be adjusted to the availability of funds. (Para. 52)*.

(5) For military reasons the area under the Fort Notified Area Committee should continue to be administered as at present. (Para. 53)*.

(6) The local bodies which should be amalgamated and known as the Delhi Municipal Corporation are (i) The Delhi Municipal Committee, (ii) The New Delhi Municipal Committee, (iii) The Notified Area Committee, Civil Station, (iv) The West Delhi Notified Area Committee, (v) Shahdara and (vi) Mehrauli. (Para. 55)*.

(7) The Corporation should consist of (a) A Council, (b) Standing and other Committees of the Council and (c) a Chief Executive Officer. (Para. 55)

(8) Each of these authorities should exercise its powers and functions in a distinct and well defined sphere of its own and largely independent of others (Para. 56)

(9) There should be as many territorial seats on the Council, including all communities for whom representation is suggested, as are warranted, on the basis of one seat for every 15 to 20,000 of the population, i.e., one seat for every 8 to 10,000 voters. On this basis the Council should consist of between 55 to 75 members, not including those representing special interests and Aldermen. (Para. 57)*.

(10) Mehrauli and Shahdara should each have one and two seats respectively. (Para. 57)*.

(11) There should be an automatic procedure for the adjustment and redistribution of the number of seats allotted to particular areas in the light of changes in population figures as revealed by the periodic census. (Para. 57)*.

(12) Special representation should be given to Commerce, Industry, the Delhi University and Labour. (Para. 59)*.

(13) The Court of the Delhi University should form the electoral college for the purpose of electing a member to the Corporation on behalf of the University. (Para. 78)*

(14) Election to the two Labour seats should be from constituencies consisting of voters, one representing Union Labour and the other of non-Union Labour. (Para. 79)*

(15) The system of nomination by Government should find only limited application to the Corporation. (Para. 61)

(16) The special interests of New Delhi, which is the seat of the Union Government, require that the system of nomination by Government should be continued. (Para. 61)

(17) The number to be nominated should not exceed 5. (Para. 61)*.

(18) No one should be nominated who has faced an electoral contest for a seat in the Corporation and has failed. (Para. 61)*.

(19) In view of the fact that Government servants who form the vast majority of the population of New Delhi cannot themselves stand as candidates for election to the Corporation, Government might consider whether a part of the quota of members fixed for nomination by them should not be utilised by the Imperial Secretariat Association, the Association suggesting names of their representatives for nomination. (Para. 63)

(20) Provision should be made in the constitution for election by the whole body of councillors, elected and nominated, of 5 Aldermen, of whom at least 1 shall be a woman. (Paras. 65-66)*

(21) The term of councillors should be four years. (Para. 68)*.

(22) All adults of 21 years of age and above should be eligible to vote. (Para. 69)*.

(23) A candidate for election to the Corporation must at least be a matriculate or must have an equivalent qualification. This should not apply to Aldermen. A candidate should also have attained 25 years of age and have resided in the Municipal area comprised within the jurisdiction of the Corporation for at least one year. (Para. 70)*.

(24) Disqualifications of candidates should be those that are generally prescribed in the existing constitutions of Corporations in India. (Para. 71)

(25) It would be premature, in present conditions in this country, to introduce compulsory voting as in Australia. (Para. 72)*

(26) Single member constituencies should be formed and every effort should be made in the direction of electoral areas approximately equal in size and population. (Para. 73)*.

(27) The method of election should be that recommended for the Union Assembly and Lower Houses of the Provincial Legislature, i.e., through joint electorates. This should continue for a period of 10 years and minorities should have their seats reserved on population

'basis, the minorities to be considered for the purpose being those that are recognised as such by the Constituent Assembly. Reservations of seats should be made in those wards in which the minorities concerned mainly reside. (Para. 75)*.

(28) There need be no special representation of women or reservation of seats for them. (Para. 76)*.

(29) The obligatory functions of the Council shall be:—(1) Drains (including flushing and cleansing), (2) Erection of water closets, urinals, (3) Disposal of sewage, (4) Watering and scavenging of public streets, (5) Municipal Water Works, (6) Reclamation of unhealthy localities, (7) Regulation of places for the disposal of the dead, (8) Registration of births and deaths, (9) Vaccination and Inoculation, (10) Prevention of disease, (11) Markets, (12) Rest Houses, (13) Slaughter houses, (14) Regulation of offensive and dangerous trades, (15) Maintenance of Fire Brigades, (16) Emergencies involving damage to property or damage to human life, (17) Dangerous buildings and places, (18) Surfacing of roads and constructing public bridges, (19) Lighting of public streets, etc., (20) Removal of obstructions, (21) Naming of streets, (22) Construction of offices, public monuments and care of the property vested in the Corporation, (23) Hospitals and dispensaries and Welfare Centres, (24) Asylums for lunatics, (25) Maintenance of public parks, gardens etc. and (26) Schools. (Para. 80)*.

(30) The permissive functions of the Council shall be:—(a) Maintaining or constructing libraries, museum or art galleries, (b) Maintaining or constructing public restaurants and hotels and cinemas, (c) Milk Supply, (d) Planting and maintaining trees on roadsides and in parks and open spaces, (e) Preparation and presentation of addresses, (f) Provision of music for the people and (g) any other measure likely to promote public safety, health, convenience or instruction. (Para. 81)*.

(31) The Mayor of the Corporation should not be more than a presiding officer at its meetings. (Para. 82)*.

(32) He should have the power to call for the records of the Corporation whenever he may consider that necessary. (Para. 82)*.

(33) The term of office of the Mayor and the Deputy Mayor should be one year but they will be eligible for re-election. (Para. 83)*.

(34) It would be undesirable to extend to Delhi the convention under which Mayors in some Corporations in India are elected by rotation from among the principal communities. (Para. 84)*.

(35) An unduly large number of Committees is deprecated. (Para. 92)*.

(36) It should be sufficient to have the Standing Committee, Finance Committee, the Taxation Committee, the Education Committee, the Health Committee, the Works Committee, the Markets and Gardens Committee and Buildings Committee. (Para. 92)*.

(37) The Standing Committee should co-ordinate the work of other Committees, initiate schemes and function, in effect, as a sort of a Committee of the entire Council in regard to urgent matters of policy. (Para. 95)*.

(38) It should have powers to sanction expenditure up to Rs. 25,000 on any item. (Para. 95)*.

(39) A committee should consist of not less than 7 nor more than 12 members. (Para. 96)*.

(40) The number of members of the Standing Committee should not exceed 9 (Para. 96)

(41) The term of members of Committees should be two years but members should be eligible for re-election (Para. 97)

(42) No one should be a member of more than two Committees ordinarily at a time. (Para. 98)

(43) Good use should be made of the method of co-option in the system of Committee work. (Para. 99)

(44) The Calcutta practice under which persons co-opted to Committees have rights of members, including the right of voting, should be followed. (Para. 100)

(45) Careful attention should be paid to the choice of Chairmen of Committees. (Para. 101)

(46) It is not necessary that delegation of its work by the Corporation to its Committees should be secured by statute. The Corporation may delegate what it thinks to be appropriate and necessary. (Para. 102)*

(47) Delegation of work might be absolute in regard to certain specified matters, the decision taken by Committees in such matters being reported for the information of the Corporation. In other cases Committees should only make their recommendations to the Corporation. (Para. 102)

(48) No matter requiring consideration, sanction or decision by the Council should ordinarily be placed before it unless the same has been placed for consideration before the appropriate Committee and its recommendations obtained. (Para. 103)

(49) All Committees will be of equal status (Para. 103)

(50) When conflicting decisions occur among Committees the matter should be placed before a joint conference of the Committees concerned over which the Chairman of the Standing Committee should preside. The decision of this conference should be regarded as final except in matters which are required to be placed before the Council (Para. 103)

(51) The Constitution should provide for joint Committees of the Corporation and outside bodies like the Railways to meet for the solution of common problems. (Para. 104)

(52) There are weighty arguments in favour of and against the proposal for payment to members of the Delhi Municipal Corporation. No recommendation is therefore made (Para 108)

(53) Suitable and unambiguous provisions should be made in the constitution of the Corporation to secure the powers of the executive (Para. 111)*

(54) There should be a wider recognition than is now apparent of the executive's right to advise on policy. (Para. 112)

(55) The principal executive officers of the Delhi Municipal Corporation should be the Chief Executive Officer, the Deputy Chief Executive Officer, the Chief Health Officer, the Chief Engineer, the Education Officer, the Assessor, the Chief Auditor and the Chief Accounts Officer. (Para. 113)

(56) The Provincial or the Union Government, as the case may be, should, on request from the Corporation, suggest for the posts of Chief Executive Officer and the Heads of Departments two or more names but the appointments should be made by the Corporation

(57) Should there be any deadlock arising from the inability of the Corporation to accept the names suggested by Government, it will be the responsibility of Government to make appointments to the posts, pending a resolution of differences between them and the Corporation. (Para. 114)

(58) The Chief Executive Officer should be an officer of at least 15 years' service and have had some knowledge, if not experience, of the working of Corporations. (Para. 115)

(59) He should also be one who could adapt himself to a milieu different from that with which he has been familiar. (Para. 115)*.

(60) The qualifications required of a Deputy Chief Executive Officer will be more or less similar to those of a Chief Executive Officer. (Para. 115)

(61) The Chief Health Officer should have a diploma in Public Health and should have done not less than 15 years' public health work under Municipal bodies in large towns. (Para. 116)*.

(62) The Chief Engineer should be of the standing of a senior Executive Engineer under Government. (Para. 116)*.

(63) The Education Officer should be an Officer of the Education Service who has had experience of organising primary education, preferably in large towns. (Para. 116)

(64) The Chief Accounts Officer and the Chief Auditor should be of the standing of senior Assistant Accounts and Audit Officers. (Para. 116)

(65) Officers whose services are obtained from Government should be given, in addition to their grade pay, a deputation allowance on a generous scale i.e., the allowance should not necessarily be on the scales allowed by Government but suited to the importance of the posts which they are to fill, and other usual allowances including car allowance etc. (Para. 117)

(66) Where Government is not in a position to loan the services of their own officers the Corporation should make appointments themselves in consultation with the Municipal Selection Board. (Para. 118)*.

(67) Scales of pay for non-Government servants are suggested. (Para. 118)

(68) Appointments to the principal executive posts in the Delhi Municipal Corporation should initially be for a period of 5 years which may be renewed for further periods. (Para. 119)

(69) Appeal against orders in disciplinary cases including removal from service should lie—

(1) in respect of the holders of the principal executive posts to Government

(2) in respect of posts up to and including a pay of Rs. 150 p. m. to the Chief Executive Officer;

(3) in respect of posts above Rs. 150 to Rs. 300 to the Standing Committee; and

(4) in respect of posts whose maximum exceeds Rs. 300 to the Municipal Selection Board. (Para. 121)

(70) The entire executive power for the purpose of carrying out the provisions of the Act under which the Corporation will function should vest in the Chief Executive Officer (Para. 122)

(71) All Officers of the Corporation should be subordinate to the Chief Executive Officer. (Para. 122)

(72) He should be empowered to make temporary appointments a period not exceeding six months to all posts other than those whose maximum salary exceeds Rs. 500 per mensem. (Para. 122)

(73) He should also have the power to sanction any expenditure exceeding Rs. 10,000 on any item. (Para. 122)*.

(74) There should be no interference by councillors with the day to day administration of the Corporation or with the recruitment, promotion, etc., of the members of the Municipal Service. (Para. 124)

(75) A Municipal Selection Board should be constituted of two members, a Chairman to be nominated by Government and an Alderman. (Para. 125)*.

(76) The Board will, among other things, prescribe the qualifications required for particular posts, call for applications for them and recommend suitable candidates for appointment in the Corporation to posts carrying a maximum pay of more than Rs. 300 per mensem. (Para. 124)

(77) It will also be its function to deal with disciplinary cases and appeals by officers and staff. (Para. 125)*.

(78) It will be an economical arrangement to have as Chairman a retired officer of Government. (Para. 126)

(79) During his tenure of office he should be precluded from having any interest in the affairs of the Corporation by way of contracts, etc. (Para. 126)*.

(80) He should not be eligible for any appointment under the Corporation after he has ceased to be Chairman. He should, however, be eligible for re-appointment. (Para. 126)

(81) If a retired officer of Government, the Chairman may be allowed a pay not exceeding Rs. 1,000 per mensem exclusive of his pension otherwise not exceeding Rs. 1,500 per mensem. (Para. 126)

(82) The Alderman-member of the Board should be paid a fee calculated on the basis of meetings of the Board and for days on which he is engaged on the work of the Board. (Para. 127)

(83) The Delhi Improvement Trust should continue to function independently of the proposed Corporation. (Para. 137)*.

(84) The public should be associated with the Trust's activities in a larger measure than is the case at present. (Para. 137)*.

(85) The Trust should consist of 9 members, 5 of whom being representatives of the Corporation and 4, including the Chairman, nominated by Government. (Para. 137)

(86) It would be of advantage to the community to continue the Delhi Joint Water and Sewage Board as a separate entity. Increased representation should be given to the Corporation, say, two-thirds in a body of 9, the rest, including the Chairman, being nominated by Government. (Para. 143)

(87) The continuance of the Delhi Central Electrical Power Authority is recommended. (Para. 146)

(88) The Corporation should be given a representation of four out of the proposed seven seats on the Delhi Central Electric Power Authority. Of the remaining 3 seats two, including the Chairman's, should be filled by Government and the third by the Factory Owners' Federation. (Para. 149)

(89) The representatives of the Corporation need not necessarily be members of the Corporation, and the Corporation should be free to send to the Authority anybody they choose (Para. 149)

(90) The Delhi Central Electric Power Authority should continue to be the generating authority but the Corporation should have a licence for distribution of electricity, the work of distribution, however being entrusted to the Delhi Central Electric Power Authority (Para. 150)

(91) The setting up of a Passenger Transport Board is recommended. (Para. 151)

(92) It should consist of 7 members, 5 of whom may be representatives of the Delhi Municipal Corporation, 1 a representative of the Delhi District Board and the rest, including the Chairman, nominated by Government. (Para 152)

(93) The interest of private organisations in the existing transport services in the Delhi urban area should be purchased by Government. (Para. 153)

(94) The Board should function as a profit making body and the profits should be made over to the Corporation to be available to assist in reducing local taxation or for furtherance of proposals beneficial to the community. (Para. 153)

(95) The Passenger Transport Board should have a monopoly of the Passenger Transport Service in the urban area. (Para. 154)*.

(96) It would not be easy with an income of Rs. 162,008 lakhs, which is the present estimated income of all local bodies in the Delhi urban area, to support a Corporation in the capital of the country with all that it should mean to the citizen in the shape of a reasonably high standard of Municipal services and amenities. The existing revenue should, therefore, be greatly expanded. (Para. 162)

(97) There seems to be a great deal of under-assessment in the Delhi Municipal Committee's area. (Para. 166)

(98) A senior officer should be in charge of assessment work and he and his staff should function independently without interference from the councillors of the Corporation. (Para. 166)

(99) The position regarding collection of arrears of taxation in the areas within the jurisdiction of the Delhi Municipal Committee and the Notified Area Committee, Civil Station, is not satisfactory. (Para. 167)*.

(100) The Department concerned of the Delhi Municipal Corporation should keep a close watch on the progress of collection and unflinchingly pursue cases of default. (Para. 168)*.

(101) House Tax should clearly be regarded as a major source of revenue by the new Corporation. (Para. 171)

(102) A higher rate of taxation on houses and buildings is indicated. (Para. 171)

(103) An upper limit as regards the rate at which House Tax should be fixed is not suggested but the lower limit should be 12½ per cent. (Para. 171)

(104) The House Tax need not be a consolidated tax as in other Corporations i.e. it need not include charges on account of water, lighting and conservancy. The Corporation should be free to levy these charges separately as may be convenient. (Para. 172)

(105) The unified Municipal Administration which will result from a Corporation should bring about some economies. (Para. 173)

(106) Decentralization and pruning should also help this process. (Para. 174)

(107) The unsatisfactory state of the finances of some of the local bodies in the Delhi urban area would not permit of revenue derived from the Terminal Tax being sacrificed. Should there be any difficulties, legal or other, in the way of the Corporation being allowed to levy the tax it should be collected by Government and proceeds made over to the Corporation or an equivalent amount given as a grant. (Para. 178)

(108) It is not possible within any foreseeable time for the Corporation to dispense with Terminal Tax altogether. What seems to be advisable, therefore, is its reform, rather than abolition. (Para. 179)

(109) In the imposition of the tax the Corporation might distinguish between articles of consumption which are imported, ready for use and those which are imported as raw material or in a semi-manufactured condition and are mainly re-exported after manufacture. (Para. 179)

(110) In addition to the taxes now in force in Delhi; the Corporation should have the power to impose (1) Visitors' Tax, (2) Advertisement Tax, (3) Entertainment Tax, (4) Betterment Tax, (5) a tax on Petrol and (6) Hawkers' Tax. (Para. 182)

(111) The Visitors' Tax in Delhi should be one anna, one and half annas, two annas and four annas on 3rd, Inter, 2nd and 1st Class tickets respectively in respect of passengers arriving in Delhi and New Delhi from beyond a distance of 20 miles. (Paras 184 and 185)

(112) The Advertisement Tax should be assessed at rates subject to certain minimum and maximum limits. (Para. 186)

(113) There is no reason why there cannot be a reasonable extension in Delhi of the existing sphere of municipal functions along lines of municipal trading such as municipal markets, etc. (Para. 196)

(114) There is no doubt that municipal trading would, apart from its social aspect, justify itself even on narrow financial grounds. (Para. 197)

(115) Its extension at present over a wider field than that indicated the experience of Corporations in India is not recommended, but cautious enthusiasm and enterprise should not be discouraged. (Para. 197)

(116) On the basis of proposals made in this Report a conservative estimate of additional income of the Corporation is Rs. 92.65 lakhs from existing sources and Rs. 18.90 lakhs from fresh sources i.e. a total of Rs. 111.55 lakhs. (Para. 198)

(117) It is not possible to calculate at present in detail the expenditure that will be required to bring up parts of the urban area and Shahdara and Mehrauli to the standard of services which is aimed at and, therefore, any conclusion that there is considerable unnecessary surplus of revenue would be unjustified. (Para. 200)*.

(118) The Corporation should be encouraged to embark on loan programme for projects which are in the long run not only remunerative but also from the standpoint of social welfare necessary and desirable. (Para. 201)*.

(119) It should be considered whether the Corporation should not be allowed to finance out of loans all original works the cost of which exceeds Rs. 15,000 and with the average life of 30 years so that more of the municipal revenue may be released for the benefit of the tax payer. (Para. 201)*.

(120) No loan shall at any time exceed together with the balance of outstanding loans double the annual rateable value of the buildings and lands in the area included in the jurisdiction of the Corporation. (Para. 201)*.

(121) In view of the Central Government's interest in the maintenance of a very high standard of services in the area included in New Delhi, Government's grants should be so fixed as to assist the Corporation materially in maintaining the necessary services and also developing areas like Shahdara and Mehrauli to the requisite standard. (Para. 202)*.

(122) The need for the training of staff is necessary and urgent if a minimum quality in the staff has to be ensured. (Para. 205)*

(123) Satisfactory conditions of service should be secured to the staff in order to promote their contentment and efficiency. (Para. 206)*

(124) It is hoped that the Delhi Municipal Corporation will consider the establishment of Ward Offices in the Delhi urban area. (Para. 207)*.

(125) The maintenance of a Municipal Police Force is recommended. (Para. 209)*.

(126) Some control of municipal administration by Government is inevitable anywhere in India and particularly in Delhi, the capital of the country. (Para. 213)*.

(127) The old prejudice against Government control will no longer be justified in view of the composition and character of the Central and Provincial Governments with whom the Corporation will deal. (Para. 214)*.

(128) Provisions of law are not recommended which would be inconsistent with the proper exercise by elected members of the new Corporation of their rights and duties as representatives of the democracy in the Delhi urban area. (Para. 216)*.

(129) Government should retain control in regard to certain specified matters, such control taking the form, wherever possible, of flexible administrative supervision and not detailed State legislation. (Para. 217)*.

(130) Government should have the completest powers on the lines of those permitted to Provincial Governments in Corporation Acts regarding the raising of loans by the Corporation and Audit control. (Para. 217)

(131) There should be an adequate appreciation of the proper relationship between the Delhi Municipal Corporation and the man-in-the-street in the Delhi urban area. (Para. 219)*.

(132) Annual reports of the Corporation should be promptly published. (Para. 226)

(133) There should be close contact between the Corporation and the Press which should be assisted and encouraged to report the proceedings of the Council. (Para. 228)*.

(134) The Press should be admitted to Committee meetings where confidential matters are not discussed or attendance at which by outsiders will not be detrimental to public interest. (Para. 228)

(135) The Corporation should conduct a Municipal Gazette as in Calcutta. (Para. 280)

(136) Arrangements should be made for propaganda vans and literature particularly in regard to matters connected with Public Health. (Para. 280)

*Paragraphs of the report.