



# GOVERNANCE IN ACTION

## Decoding City Governance: A Guide to Municipal Laws in India

Urban governance in India is shaped by a diverse set of laws and regulations. Key frameworks such as **Municipal Acts**, **Corporation Procedure Rules**, **State Town Planning Acts**, **Building Bye-laws**, **Solid Waste Management Rules**, and **Development Control Regulations** guide how cities operate. A strong grasp of these laws enables more **informed decision-making**.



### THE FOUNDATION: CONSTITUTIONAL FRAMEWORK

At the core lies the  
**74<sup>th</sup> Constitutional Amendment Act (1992)**  
It:

- Made it **compulsory to hold elections to city governments** every 5 years
- Reserved **at least 1/3<sup>rd</sup> seats** for women
- Created the **12th Schedule** — listing 18 functions to be transferred to City Governments
- Required each state to set up a **State Finance Commission (SFC)** to recommend allocation of funds
- Established **District Planning Committees (DPC)** and **Metropolitan Planning Committees (MPCs)** for large cities
- Required **Wards Committees** for cities with over 3 lakh population



### THE MODEL LAW: A REFERENCE, NOT A RULE

The **Model Municipal Corporation Act** acts as a guiding template.

#### Example:

- Recommends stronger roles for elected representatives
- Suggests clearer financial devolution and accountability mechanisms

However, most states have adopted it only partially, **leading to variation**.



MODEL MUNICIPAL LAW, 2003

### STATE-LEVEL MUNICIPAL LAWS: WHERE POWER IS DEFINED

Each state has its own municipal legislation

#### These laws:

- Define roles of mayors, councillors, and commissioners
- Assign functions and responsibilities
- Specify taxation powers (e.g., property tax)

MUMBAI MUNICIPAL  
CORPORATION ACT

UTTAR PRADESH  
MUNICIPAL CORPORATION ACT

KARNATAKA  
MUNICIPAL CORPORATIONS ACT



# GOVERNANCE IN ACTION

## BEYOND MUNICIPAL ACTS: THE BROADER LEGAL ECOSYSTEM



### URBAN PLANNING LAWS

Planning is often governed separately from municipal laws.

#### Examples:

- Maharashtra Regional and Town Planning Act
- Karnataka Town and Country Planning Act

#### These laws:

- Control land use and zoning
- Approve Development Plans

#### Example in practice:

A city corporation may be responsible for roads and waste, but **land-use decisions are taken by a planning authority**, limiting municipal control.



### SERVICE SPECIFIC LAWS

Different services are governed by different laws.

#### Examples:

- Water (Prevention and Control of Pollution) Act
- Electricity Act
- Motor Vehicles Act

#### Example in practice:

- Public transport is regulated under transport laws
- Electricity supply is handled by state utilities, not municipalities



### PARASTATAL AGENCIES & THEIR LAWS

Several key urban services are delivered by agencies created under separate laws.

#### Examples:

- Delhi Development Authority (under Delhi Development Act)
- Mumbai Metropolitan Region Development Authority
- Bangalore Development Authority

#### These agencies:

- Operate independently of city governments
- Handle planning, housing, or infrastructure

#### Example in practice:

A metro project or township may be planned by a development authority, while the municipality handles local services.

## THE REALITY: FRAGMENTATION OF URBAN GOVERNANCE

In practice:

- Multiple laws operate simultaneously
- Responsibilities are split across agencies

#### Example:

- Roads: Municipality
- Land use: Planning authority
- Transport: State agency
- Pollution control: State board

This fragmentation leads to **overlaps, delays, and weak accountability**.

## WHY THIS MATTERS FOR URBAN LEADERS

Understanding the legal ecosystem helps leaders identify who is responsible for what, navigate institutional overlaps, and advocate for greater devolution of powers

**Example:** A councillor addressing flooding must coordinate with Municipal body (drainage), Planning authority (land use), and State agencies (infrastructure).



Praja's **Urban Governance Dashboard** is an interactive, publicly accessible platform that brings together data from Praja's Urban Governance Index, Municipal Acts, Budget and Audit Documents across city governments of the country. This platform serves as a comprehensive repository of state- and city-wise urban governance information.