

Model Nagara Raj Bill,

A

Bill

to institutionalize citizens' participation in governance by setting up, recognizing and empowering general people's assemblies in each Mohalla of urban areas of the state with adequate functions, functionaries and funds.

Be it enacted by the Legislature of the _____ in the year of the Republic of India as follows:

Part-I

Preliminary

1. (1) This Act may be called the Nagara Raj Bill.
(2) It extends to all the municipal corporations, municipalities and Nagar Panchayats in the state of _____ to which 74th amendment to the Constitution applies excluding cantonment areas therein.
(3) It shall come into force on such date as the State Government may, by notification, appoint in this behalf.
2. In this Act, unless the context otherwise requires:
 - (a) **Mohalla** means a Mohalla as determined in the manner prescribed in section 3;
 - (b) **Mohalla sabha** means, in relation to a Mohalla, the body of all registered voters in that Mohalla;
 - (c) **Budget year**. –means the period for which the State government lays down the “annual financial statement”.
 - (d) **Chairperson**. - The councilor of each ward shall be the chairperson of that ward committee.
 - (e) **Community** is a group of people who know each other personally and share emotional relationship, whether positive or negative.
 - (f) **Member** - The Mohalla sabha Representative, elected in the manner as provided under this act, shall be a ‘member’ of the ward committee.
 - (g) **Old Ward Committee** – Ward Committee as it exists before the enactment of this Act.

- (h) **Ward Committee.** – Means the committee constituted under Section 18 of this act.
- (i) **Ward Sabha** means, in relation to a Ward, the body of all registered voters in that Ward.
- (j) **Ward Infrastructure and human development Index.** – Ward Infrastructure and human development Index means a composite index generated by taking into account the condition of all public infrastructure elements and parameters related to human development in that Ward.

PART II

MOHALLA SABHA

Constitution and Governance of Mohalla sabhas

- 3. **(1)** The Old Ward Committee of each Ward shall–
 - (a) prepare a draft proposal dividing each ward into Mohallas keeping following principles in mind:
 - a. the territorial extent of each Mohalla, shall be such that the number of voters residing therein shall around 3000.
 - b. Efforts shall be made to keep a block or a colony or a community in same mohalla; independent mohallas could be carved out from a block, colony, or community rather than merging parts of one block, colony or community into parts of another block, colony or community.
 - c. If the size of a ward is so small, the ward committee may decide to have just one mohalla sabha in that ward.
 - (b) The Old ward committee shall finalize its proposal through a series of public hearings:
 - a. The Old Ward Committee shall widely publicize the above draft and call for objections and suggestions through website or through written letters for a period of one month.
 - b. Thereafter, it shall convene mohalla sabha meetings of each suggested mohalla separately by giving it wide publicity, read out the proposal and the suggestions/objections received so far and discuss the proposal in detail.
 - c. The mohalla sabhas may demand division of their mohalla into more than one or revision of their boundary or merging of more than one mohallas into one etc. If any amendment is proposed by any mohalla sabha and if all the affected mohalla sabhas agree to it through resolutions passed by simple majority, the amendments to the proposal shall be effected.
 - d. If there is any dispute, ward committee may need to call joint meetings of two or more mohalla sabhas or may need to call meetings of the same mohalla more than once.

- e. Population of a mohalla shall not be a criteria for merging or bifurcating a mohalla at this stage. Prime concern shall be to make every mohalla into a workable unit of local self governance.
 - f. The outcome of this exercise shall be communicated to the Government by the Councillor of that Ward and these shall be notified by the Government as mohallas for the purposes of this Act.
- (2) Subsequent to the formation of mohallas as aforesaid, every five years, six months before the commencement of elections to mohalla sabha representatives, the mohallas may demand revision of their boundaries or merging of two or more mohallas or bifurcation of mohallas. If an amendment proposed by a mohalla is accepted by all the affected mohalla sabhas, such revision shall be notified by the state government.
Provided that all such resolutions should be passed by at least two third majority.
4. **Mohalla Committee:** Two Mohalla Sabha representatives for each Mohalla, one man and one woman, who shall be directly elected by the mohalla sabha and who shall work under the directions, guidance and supervision of mohalla sabha, shall constitute Mohalla Committee for that mohalla.
5. Any registered voter in a Mohalla may file his nomination for the office of Mohalla sabha Representative, unless he/she is disqualified by or under any law for the time being in force for the purposes of elections to the Legislature of the State, or for the purposes of elections to the Municipality or if he/she is already an elected representative under either the Representation of the People Act, 1951 or under this Act.
Provided that he should have attained the age of twenty one years.
6. The election to the office of Mohalla sabha Representatives in various Mohallas in any Municipality shall be conducted by State Election Commission, in the manner prescribed in the rules framed in this behalf by the State Government.
Provided that these elections shall be on non-party basis.
7. In the event of the failure of the State Election Commission, for any reason whatsoever, to conduct elections to the office of Mohalla sabha Representatives of a municipal body in time, that municipal body shall not be empowered to make expenditure, which were supposed to be made by mohalla sabhas and ward committees, till such time as the new bodies are put in place by the State Election Commission.
8. A Mohalla sabha Representative shall ordinarily hold office for five years.
Provided that no person shall continue to hold office as Mohalla sabha Representative if, at any time during his/her tenure, he/she incurs any of the disqualifications prescribed by or under any law for the time being in force for the purpose of elections to the Legislature of the State concerned;

Provided further that no person shall be entitled, or continue to be entitled, to hold office as Mohalla sabha Representative of a mohalla in which he/she is not ordinarily resident.

9. Power to recall mohalla sabha representative: (1) If 20% or more of registered voters of a mohalla sabha make a written representation to the State Election Commission expressing lack of confidence in any of their mohalla sabha representative, the State Election Commission shall, within two weeks of receipt of the representation, get it verified whether the signatories exist on voter list and get it enquired from each signatory whether he/she had actually signed on the representation.

(2) As a result of verification, if the enquiry officer reports that some of the members have been misrepresented, the results of verification shall be widely publicized and shall be available to anyone on payment of ordinary photocopying charges and people will be given a month's time to make representation to the State Election Commission against said verification. If some representations are received against the verification, the State Election Commission shall in the next mohalla Sabha meeting get a re-verification done by calling the names of individual signatories and publicly asking them whether they signed or not. If the verification is actually found to be wrong, the enquiry official shall be liable for disciplinary action and criminal action under various provisions of IPC.

Provided that if the signatories do not turn up at the mohalla sabha meeting, it shall be assumed that they had not signed the representation.

(3) If the representation in sub-section (1) is found to be genuine, the State Election Commission shall, at a date not more than a month after receipt of enquiry report, get a polling done through secret ballot whether the people of that mohalla want the mohalla sabha representative to be removed. If two thirds of people vote for removal of the mohalla sabha representative, he shall be deemed to have been removed with immediate effect from the declaration of results.

(4) The State Election Commission shall hold elections within a month of recall by the mohalla sabha to elect a new mohalla sabha representative.

(5) No motion of recall can be brought within a year of the mohalla sabha representative having been elected and within one year of defeat of an earlier motion of recall.

(6) A motion of recall could be moved against any mohalla sabha representation only on allegations of corruption or if he/she fails to carry out the directions of Mohalla Sabha or acts against the decisions/ directions of mohalla sabha or acts in contravention of this Act.

10. Power to recall councilor: (1) If more than two thirds of the mohalla sabhas in a ward pass resolutions expressing loss of confidence in their ward councilor or if 20% or more of the registered voters of that ward make a written representation to that effect, the State Election Commission, within a month of receipt of such resolutions or representation, shall get a secret ballot done whether the people of that ward want the councilor to be removed. If two thirds of people vote for removal of the councilor, he shall be deemed to have been removed with immediate effect from the declaration of results.

Provided that State Election Commission shall act upon signed representation from people mentioned above only after getting the representation verified in the manner laid

down in section 9(1) and 9(2). In order to get signatures reconfirmed in section 9(2), state election commission shall call meetings of those mohalla sabhas only from which signatures were found to have been misrepresented.

(2) The State Election Commission shall hold elections within a month of such a recall to elect a new ward councilor.

(3) No motion of recall can be brought within a year of the councilor having been elected and within one year of defeat of an earlier motion of recall.

(4) A motion of recall could be moved against any councilor only on allegations of corruption or if he/she fails to carry out the directions of Mohalla Sabha or acts against the decisions/ directions of mohalla sabha or acts in contravention of this Act.

11. Mohalla sabha Revenues: (1) The following shall constitute mohalla sabha revenues:

- (a) Allocations made by ward committee from time to time from all funds received by ward committee from municipality, as and when they are received during the year
- (b) Funds received directly from municipality or state government or central government.
- (c) Donations received from various sources
- (d) Taxes, levies and fees collected by mohalla sabha secretary provided that such amounts as may be prescribed shall be remitted out of these to the municipality and the balance would form part of ward committee revenues. At least 60% of all house tax collected from that mohalla sabha shall form part of ward revenues. At least 50% of revenues collected by a ward under this clause shall be allocated by ward committee to respective mohalla and the same shall form a part of that mohalla sabha's revenues.
- (e) Funds received from various departments of municipality or state government for running institutions, maintaining assets and carrying on activities, which were earlier done by municipality or state government and would now be run by ward committee.

(2) Funds shall not be physically transferred to mohalla sabha but the amounts will be indicated to them, which shall be spent by ward committee secretary as per instructions received from mohalla sabha. However, the accounting for the same shall take place at ward committee level. Likewise, all the funds collected by a mohalla sabha secretary by way of cash or cheques/DD shall be deposited with the ward committee secretary, who will credit it to respective mohalla sabha's account in his books.

(3) Mohalla Sabha shall have the powers to levy taxes and fees on such items as may be prescribed. It shall have the powers to collect such taxes, levies and fees on items as may be prescribed.

Provided that house tax shall be collected by mohalla sabha at rates prescribed by municipality.

Provided further that the mohalla sabhas shall be the owner of all parking and advertising rights in the area of mohalla sabha and shall be competent to award it to anyone or collect it on its own at such rates as it deems fit, in accordance with decisions taken in mohalla sabhas.

12. Mohalla sabha meetings: (1) Regular Mohalla sabha meetings shall take place on a fixed day at fixed time at a fixed place every month. The day, place and time shall be decided by the mohalla sabha in its first meeting. It could be changed in any subsequent meeting, but wide publicity should be given to the changed date, place and time, before it is implemented. The day, time and place of next meeting shall be announced at the end of previous meeting by way of reminder.

(2) Mohalla sabha meetings shall be co-chaired by Mohalla Sabha representatives.

(3) The mohalla sabha representatives shall attend all mohalla sabha meetings unless any one of them is medically ill disposed or has some very pressing family engagement. In any case, he/she shall not keep absent for three consecutive meetings, in which case he shall be treated to have automatically vacated the office of mohalla sabha representative and will be disqualified to fight next elections to mohalla sabha representative.

(4) Minutes in each mohalla sabha shall be taken by mohalla sabha Secretary or any other person so required by mohalla sabha. Minutes will be read out after each meeting. If anyone has any objections to the minutes, the same shall be modified immediately after discussions by the mohalla sabha and finalized, only after which signatures of those present in the meeting shall be taken on the same register below minutes of meeting.

(5) If 5% of the registered voters or 50 registered voters, whoever make up the higher number, requisition in writing, the mohalla sabha secretary shall call an emergency meeting of mohalla sabha to discuss issues mentioned in the requisition letter within 7 days of receiving the requisition letter.

Provided that if the mohalla sabha secretary fails to call such a meeting, it shall be the duty of the Mohalla Committee to call for such a meeting. If the mohalla committee also fails to call the meeting, the signatories to the requisition letter may ask the ward councillor to appoint someone to call the emergency meeting. Within two days of receipt of such a requisition, the ward councillor shall appoint a person from amongst mohalla sabha members, who shall call such a meeting within next seven days. In such an eventuality, both mohalla sabha representatives would stand disqualified and would be deemed to have vacated the office and mohalla sabha secretary shall be liable for punishment by the members in the next mohalla sabha meeting.

(6) Agenda of every mohalla sabha meeting shall be decided in the following manner:

- a. Minutes of previous meeting and action taken upon those items shall form the first item of agenda.
- b. If any member wishes to bring any item on agenda, he/she can give it in writing to the mohalla sabha secretariat. All the requests received 15 days before the meeting shall be included in that meeting and rest would be included in next meeting.
- c. The agenda shall be adequately publicized at least a week before the meeting.
- d. Before the start of every meeting, the priority of agenda items i.e. which item will be taken up first for discussion, will be decided through consensus or

where there is no consensus, through voting on each item by raise of hands, with the item receiving maximum votes to be discussed first.

(7) In its first meeting and then in subsequent meetings from time to time, mohalla sabha shall decide the various means that shall be used to circulate and adequately advertise notices, agenda and minutes of meetings.

(8) Quorum for any mohalla sabha meeting shall be 5% of registered voters of that mohalla, out of which 20% shall be women. If quorum is absent in any meeting, the meeting shall be postponed by half an hour and then there shall be no need for quorum unless the majority of those present decide that the matters at hand are critical and the meeting should be adjourned and should take place at a later date so that larger number of people could participate. If such a resolution is passed, the meeting shall stand postponed to a date and time to be decided in this meeting only. Provided that the quorum size could be bigger when decisions are to be taken on certain issues. Such issues on which larger quorum is required, size of such larger quorum and composition of quorum shall be separately notified.

(9) As far as possible, all Mohalla sabha meetings shall be video recorded and recording shall be stored on CDs in the Mohalla sabha secretariat as public records open for public to take copies and inspect.

(10) All decisions in mohalla sabha meetings shall ordinarily be taken through consensus but if consensus is not possible, decisions shall be taken through a simple majority vote of those present and voting, unless any other method or a larger majority is separately specified for any particular issue.

(11) All decisions of Mohalla sabha have to be in accordance with all existing laws of the land. If any of the decisions are not in accordance with any law, the same could be challenged by anyone before the Ombudsman.

(12) State Government or municipality or any other Government agency may convey its objections or give any suggestions on any of the actions or proposals of mohalla sabha at any time. Mohalla sabha shall consider these suggestions. The final decision however shall lie with mohalla sabha.

(13) The last one hour in each mohalla sabha meeting shall be kept for individual grievances, where people could raise their individual grievances against any government agency. Mohalla sabha shall take all appropriate steps to get these grievances resolved at the earliest. The state of essential services in that mohalla shall also be regularly reviewed.

(14) On the recommendation of ward committee or sup motu, two or more mohalla sabhas can have a joint meeting, in which all the members of participating mohalla sabhas shall be present, to discuss or decide any issue. Decision in such a joint meeting shall be treated as having been taken by all these mohalla sabhas individually.

13. Functions and duties of mohalla sabha: A Mohalla sabha shall perform and discharge the following functions and duties, namely -

(a) Within six months of enactment of this law, and in the first meeting after an election if there has been any change of boundaries of that mohalla before elections, each Mohalla sabha shall make a list of all assets, institutions and activities, which would fully or partly fall within its geographical boundaries. It

shall decide which activities fully fall within its geographical boundaries, which institutions provide services only to the residents of this mohalla sabha and which assets geographically fall fully within this mohalla sabha. These activities will henceforth be carried out by this mohalla sabha directly, these institutions will henceforth be managed by this mohalla sabha directly and these assets would henceforth be maintained by this mohalla sabha directly. Rest of the activities, assets and institutions will henceforth lie within the jurisdiction of ward committee.

- (b) Mohalla sabha shall have all the powers and shall be competent to take all steps for the over all welfare and welfare of individual members of that mohalla on issues mentioned in **Schedule 8**. The State Government cannot delete any item from this list but it may add subjects to this list. If it adds any subjects, it would have to provide necessary human and financial resources for the same.
- (c) Mohalla sabha, through its Secretary and other volunteers, shall be competent to organize such cultural activities as the members, through consensus, agree.
- (d) to prepare annual plan for mohalla for current financial year and forward the same to the Ward Committee for inclusion in Ward plans. Annual plan would be made for untied funds and also for funds received under various schemes and programmes of the Government. The meeting for making such a plan shall be conducted in the manner as laid down in **Schedule 1**

Provided that if mohalla sabha so feels, cooperatives of mohalla sabha members or their SHGs may be given preference in award of contracts for works to be executed in that mohalla

Provided further that whoever gets contract for works to be executed in a mohalla, he/she shall give preference to mohalla sabha members for skilled or unskilled labour on the projects to be executed in that mohalla. The mohalla sabha shall be competent to decide the wages to be paid to the laborers working on such contracts, which shall not be less than the minimum wages prescribed by the state government. The mohalla sabha may also prescribe other welfare measures to be followed by the contractor for the labor working on such contracts.

Provided further that proposals for health and education of individuals or community or a part of the community shall be accorded highest priority while making annual plans.

Provided further that if in a mohalla, there are socially or economically vulnerable groups, at least that percentage of budget which is the percentage of the population of vulnerable groups to the total population, shall be earmarked and used for their benefit and priority shall be given to projects presented by these groups for such amounts.

Provided further that issues of social justice shall get preference while making annual plan.

- (dd) whereas annual plans would be made on the basis of funds received in the beginning of the year, if any additional funds are received subsequently during the year, plans for spending the same would be made by following the same procedure as followed for annual plan.

- (e) to identify the most eligible persons from the jurisdiction of the Mohalla sabha for beneficiary-oriented schemes on the basis of criteria fixed by the Government, and prepare list of eligible beneficiaries in order of priority. The meeting for making such a list shall be conducted in the manner as laid down in **Schedule 2**.
- (f) to verify the eligibility of persons getting various kinds of welfare assistance from Government under various beneficiary oriented schemes;
- (g) to provide and mobilise voluntary labour and contributions in cash or in kind, through its Secretary or volunteers, for various activities or developmental programs undertaken by the mohalla sabhas, and to supervise such development works through Secretary or various committees;
- (h) To issue utilization certificate and completion certificate for every project carried out in mohalla. Any payment could be done by municipality or ward committee only after the secretary issues these certificates, as per mohalla sabha resolutions. Such meeting shall be conducted in the manner as laid down in **Schedule 3**
- (i) to prepare and annually revise a list of people living on the verge of destitution or extreme poverty. The draft list shall be prepared by the Secretary, which shall be placed before Mohalla Sabha meeting for reading out loudly and verification. Additions and deletions could be done in Mohalla Sabha meeting. Mohalla sabha and ward committee shall ensure that appropriate schemes are made to ensure that noone in the mohalla or ward lives in hunger. Mohalla sabha may do so by nominating such families for various beneficiary schemes of the government, by making additional schemes for them, if needed and try to get them some kind of employment, maybe in the works carried out by mohalla sabha or ward committee. The mohalla sabha and ward committee shall make plans for providing employment for such people and may include such proposals in their annual plans.
- (j) to prepare lists of unemployed people, illiterate people and homeless people in that mohalla. The draft list shall be prepared by the Secretary, which shall be placed before Mohalla Sabha meeting for reading out loudly and verification. Additions and deletions could be done in Mohalla Sabha meeting. Mohalla sabha shall make schemes and projects to ensure a home, literacy and employment for everyone, at least at basic minimum wages, in that mohalla on topmost priority. Every mohalla sabha shall also make efforts to construct/arrange housing for poor people who provide services to that mohalla.
- (k) To ensure that no one is without basic health facilities, to take all steps to ensure education for all children and health for all in the mohalla.
- (l) to collect all such taxes as may be notified, especially house tax. It shall be the duty of the Secretary to do this on behalf of Mohalla Sabha. Taxes shall be collected in the name of ward committee, and shall be shared amongst mohalla sabha and ward committee as mentioned in section 11.
- (m) to revoke license of any existing Fair Price Shop or Kerosene Oil Depot in that mohalla on the basis of complaints from the public. On such revocation, the mohalla sabha shall have the power to allot these shops to new person. Mohalla sabha shall also have the power to award compensation to a cardholder, if he has not received his entitlements, which shall be paid by the FPS or KOD owner,

as the case may be. Revocation, allotment or award of compensation shall be done in the manner laid down in **Schedule 4**. Power to decide whether another FPS or KOD is needed in that mohalla and then to allot the same shall also lie with the mohalla sabha.

- (n) to promote harmony and unity among various groups of people in mohalla and arranging cultural festivals and sports meets to give expression to the talents of the people of the locality;
- (o) to undertake social reforms and social change and undertake such welfare measures so as to promote social justice by taking all possible affirmative action and strengthening struggles of vulnerable and disadvantaged sections against injustice.
- (p) to undertake all steps to empower disempowered groups.
- (q) to regularly update voters' list by publicly reading them out in Mohalla Sabha meeting and send them to concerned authorities who shall update them on the basis of mohalla sabha's recommendations, within a month of receipt of such recommendations. Mohalla Sabha could recommend additions or deletions or modification of names in the voters' list. To receive applications for inclusion of names in voters list. Such applications shall be dealt in the manner laid down in **Schedule 9**.
- (r) to make long range prospective plans which will guide the drafting of annual plans.
- (s) to issue certificate of residence to its residents, which may be required for various purposes, in the manner laid down in **Schedule 10**. Such certificate shall be treated as final by all authorities, who need such a certificate for any purpose.
- (t) to ensure, through persuasion or discussing the matter in Mohalla sabha or by complaining to appropriate authorities, that all people working within the boundaries of that mohalla are paid at least prescribed minimum wages.
- (u) To keep a register of all residents, their family members and voters in that mohalla. Any new person who comes to live in that mohalla should register himself/herself with the mohalla sabha.
- (v) To issue income certificates, wherever needed, to its members, which shall be treated as final by various authorities. Such certificates shall be issued in the manner as laid down in **Schedule 11**.

14. Powers of Mohalla Sabhas: Mohalla sabha may exercise the following powers, namely -

- (i) Mohalla sabha shall have the powers to get any information from any official of the state Government or the Municipal body regarding issues directly or indirectly related to their mohalla.
- (ii) to hire any consultants to seek technical guidance on any issues.
- (iii) to direct and authorize any kind of expenditure for the welfare of the people of that mohalla on the subjects which are within the jurisdiction of mohalla sabha and for the purposes of implementation of this Act

- (iv) to impose financial penalties on such government officials, who are directly under the control of Mohalla Sabha and with whose functioning the mohalla sabha is dissatisfied.

Provided that such penalties shall be imposed in the manner laid down in **Schedule 5**.

Provided further that no penalty can be imposed on any officer without giving him an opportunity of being heard.

Provided that even if an official works directly under the control of ward committee, he/she can be summoned by the mohalla sabha if the people are dissatisfied with his/her performance and can be proceeded against under this section.

- (v) to recommend to Ombudsman imposition of a financial penalty on an officer, who does not fall directly under the control of Mohalla Sabha, but who provides services to that mohalla sabha and with whose performance, the mohalla sabha is dissatisfied. The procedure laid down in **Schedule 5** shall be followed for recommending such penalty. If Ombudsman confirms the recommendation, after granting an opportunity of being heard to the concerned official, the DDO of the concerned Department shall deduct the salary within a month of Ombudsman's order. Ombudsman shall have to pass an order either confirming or rejecting the recommendation of Mohalla Sabha within a month of its receipt.
- (vi) to summon officials who provide services to the mohalla and their immediate supervisor and require them to attend mohalla sabha meetings personally to provide information, clarifications or respond to public grievances.
- (vii) to allow/ disallow any industrial activity or any land use conversion as per law. Such activity could be allowed on such terms and conditions as specified by the mohalla sabha. On violation of these terms and conditions, mohalla sabha shall have the power to direct closure of such activity. However, this shall be done by following the procedure laid down in **Schedule 6**. Land use conversion shall be allowed only if the mohalla sabha feels it would serve larger public interest and if the proposed conversion is in accordance with existing laws. The mohalla sabha shall also have the powers to direct closure of any industrial activity, which is causing public nuisance. However, before directing such closure, mohalla sabha shall give an opportunity to such industrial establishment to make such amends as may be deemed necessary. Only when the industrial establishment fails to comply with such directions that such closure shall be ordered.
- (viii) to decide whether to allow acquisition of any land in the mohalla by any Government agency and if yes, at what terms and conditions. Mohalla Sabha may pass such a resolution and if this is not acceptable to the Government, the Government may approach Ombudsman, whose decisions shall be final.
- (ix) No slums or a part of it can be removed without the permission of mohalla sabha.
- a. Mohalla sabha shall not give such permission until those being removed have been resettled as per existing policy.

- b. It is the majority view of those who are being removed, which shall determine whether the resettlement has been done in letter and spirit of the resettlement policy.
 - c. Mohalla sabha shall make best efforts to resettle them in the same mohalla in situ.
 - d. To do in situ resettlement, mohalla sabha may submit various proposals to appropriate government. Appropriate government shall accept and implement the proposal unless there is some problem in principle, which the government shall express in writing. Such rejection could be challenged by anyone before the Ombudsman.
- (x) No liquor shop can be opened in any mohalla without the approval from mohalla sabha. Such a resolution should have the support of at least 90% of women members present and voting.
 - (xi) If any mohalla sabha directs closure of an existing liquor shop through a resolution passed by a simple majority, the shop would have to be closed.
 - (xii) A Mohalla sabha shall have first right and control over all natural resources in its jurisdiction, such as land, water, flora and fauna, sand, minor minerals, etc. The Mohalla sabha shall have a duty to plan for the preservation and utilization of these natural resources in a manner that these natural resources are utilized in a fair and equitable manner.
 - (xiii) Mohalla sabha shall have the power to form any committee for any purpose.
 - (xiv) Any mohalla sabha, through a resolution passed by two-thirds majority, can require the municipal corporation to discuss and decide upon any matter and municipality shall have to do it.
 - (xv) If 5% mohalla sabhas spread over 5 wards pass a resolution with simple majority each, the municipality will have to consider and take such action. If municipality does not wish to take such action, they will send copies of such resolution to all mohalla sabhas for their opinion and if more than 50% of mohalla sabhas endorse that proposal, municipality shall have to implement it.
 - (xvi) The persons who are not voters of that mohalla, but are required to spend time in that mohalla for livelihood, their consent shall be taken by the mohalla sabha while taking any decisions directly or indirectly affecting them.
 - (xvii) Police shall register an FIR if any case, related to occurrence of any cognizable offence in that mohalla, is referred to them by the Mohalla Sabha.
 - (xviii) If police makes any arrest in that mohalla, it shall, within 2 hours of arrest, inform and send copies of FIR and all related documents to the mohalla sabha secretariat.
 - (xix) As and when there is a vacancy on any post, which is transferred to Mohalla Sabha, for whatever reasons, and a new appointment is required to be made, the same shall be done by the mohalla sabha henceforth and mohalla sabha shall be treated as appointing authority for the same.

15. Mohalla Sabha Secretariat: (1) The Municipality shall provide Mohalla sabha with adequate funds and manpower to set up and run the Mohalla sabha secretariat, which shall include at least one secretary and such other officials as deemed fit by the Municipality. The Municipality shall provide a fixed lumpsum amount every year, to be

increased for at least inflation every year, to each mohalla sabha. However, mohalla sabha shall be competent to spend more amounts on secretariat out of its own resources, if it feels necessary.

(2) Each mohalla sabha representative shall be compensated for such expenses as may be permitted by the mohalla sabha.

(3) All Mohalla Sabha secretariat staff, including Mohalla sabha secretary, shall be directly appointed by the mohalla sabha by following the procedure mentioned in **Schedule 7**. Mohalla Sabha Secretariat shall be headed by Mohalla Sabha Secretary.

(5) Functions of Mohalla Sabha Secretary:

- a. He/she shall be custodian of all mohalla sabha records.
- b. He/she shall be responsible for implementation of all Mohalla Sabha decisions and directions in the manner and within such time as Mohalla Sabha may direct.
- c. To issue certificates of residence and income and recommend names for inclusion in voters list.
- d. Such other functions as may be entrusted upon him/her by the Mohalla Sabha.

(6) Mohalla sabha Secretary or any other employee for whom mohalla sabha is the appointing authority, can be removed as laid down in **schedule 16**.

(7) Mohalla Sabha Secretary shall get such salary as prescribed by the Government but it shall not be less than the highest scale of a Class III employee in that state government. Such funds shall be provided by the state government.

(8) The Mohalla sabha may decide to give such allowances to the secretary out of its own funds as it may decide from time to time.

16. Beneficiary Sabha: (1) For any decision taken by Mohalla sabha, a Beneficiary Sabha consists of such members of that mohalla sabha who are directly affected by that decision.

(2) All decisions in a mohalla shall be taken by Mohalla sabha but execution of those decisions shall be monitored and supervised by Beneficiary Sabha.

(3) Beneficiary Sabhas shall be formed for PDS, various beneficiary schemes and various developmental works. However, it may not be required for such projects or schemes, which benefit all people of that mohalla or where the beneficiary group is too diffused.

(4) Decisions taken by a beneficiary sabha shall be deemed to have been taken by mohalla sabha and shall have the same effect.

17. Powers and duties of Mohalla sabha representative:

(1) To co-chair all meetings of Mohalla Sabha. The Chair shall be required to ensure that the meetings take place according to rules and everyone gets a fair chance to speak.

(2) He/she shall represent his/her Mohalla Sabha in ward committee.

(3) All such decisions of Mohalla Sabha, which are to be implemented by ward committee, shall be taken up by him/her in ward committee meetings.

(4) To seek approval of mohalla sabha before committing anything in ward committee meetings or before taking any decision in ward committee meetings or before expressing views of that mohalla in ward committee meetings. However, he shall be free to do so on such minor and routine issues, on which he has been so authorized by the mohalla sabha.

(5) To place before every Mohalla Sabha meeting, the minutes of last ward committee meetings and if mohalla sabha expresses dissatisfaction over any decision or action of ward committee, he shall take it up in the next ward committee meeting and the ward committee shall reconsider that decision in the light of disapproval from such mohalla sabha(s)

(6) All decisions of mohalla sabha shall be binding on mohalla sabha representative.

PART III

Ward Committees

18. Constitution of ward committee:

- (1) There shall be a Ward Committee for each ward in a Municipality.
- (2) Each Ward Committee shall consist of —
 - (a) the member of the municipality representing the ward, who shall be the Chairperson of the Ward Committee;
 - (b) all mohalla sabha representatives of the mohallas falling under such ward:
- (3) The term of office of the Ward Committee shall be co-terminus with that of the mohalla sabha representatives of that ward.

19. Ward committee meetings: (1) Ward committee meetings shall take place every month on a fixed day at fixed time to be decided by the ward committee.

- (2) All ward committee meetings shall be open for public, who could attend meetings, make comments and observations with the permission of the Chair but cannot vote.
- (3) The ward councilor shall chair ward committee meetings. In his absence, the members present shall choose one of the members to preside that particular meeting. However, the councilor shall not absent himself for more than three consecutive meetings, in which case he shall be deemed to have vacated the office.
- (4) An emergency meeting shall be convened if three or more mohalla sabha representatives requisition in writing, in which case, the Ward Committee Secretary shall convene a meeting within a week.
- (5) If the Ward Committee Secretary fails to convene a regular ward committee meeting as required under sub-section (1) or an emergency meeting as mentioned in sub-section (4), the members can convene such meeting on their own.
- (6) The Secretary shall set the agenda for each ward committee meeting, and widely circulate it amongst its members and the general public at least a week before the meeting. Mohalla sabha representatives will intimate to the Ward Secretary, the items that they wish to be added to agenda at least ten days before the meeting and the ward secretary shall add that to the agenda.
- (7) Minutes of the Ward Committee meetings shall be maintained. These minutes shall be made available to the general public for perusal. They shall be kept at the office of the Ward Committee.
- (8) Decisions at ward committee shall be taken through consensus. Wherever consensus is not possible, it shall be taken through voting. A proposal shall be treated as passed if simple majority of those present vote in favour of it, unless a special majority is prescribed for any issue.
- (9) Any new proposal, activity or project shall have to be sent by ward committee for the ratification of all affected mohalla sabhas. If it is rejected by any mohalla sabha, ward committee may either decide to drop it or follow the procedure laid down in section 21 by either holding joint meetings of more than one mohalla sabhas or hold a meeting of ward sabha to arrive at a decision. If any mohalla sabha objects to any decision taken at

sub-section (8) above, the ward committee shall be duty bound to seek ratification of all affected mohalla sabhas in that case, in the manner laid down in this sub-section.

20. Functions of Ward Committees: The Ward Committee shall discharge the following functions, namely :-

a) Ward committee shall be responsible for carrying out all such activities, maintain all such assets and manage all such institutions as decided by mohalla sabhas under section 13(a) of this Act. If there is a dispute whether any activity or institution or asset has inter mohalla implications or not, the majority decision of ward committee members shall be final.

b) Heads of all such institutions, over which ward committee has jurisdiction, shall report directly to ward committee only. The financial resources for running of these institutions shall be transferred to ward committee by appropriate government agency at existing levels of expenditures.

d) Ward Committees shall perform all such other functions and activities as are requested by various mohalla sabhas from time to time.

e) to assist mohalla sabha wherever such assistance is sought.

(f) to create ward infrastructure index in the manner prescribed.

(g) to try and resolve disputes between two or more mohalla sabhas within that jurisdiction either amicably or by holding joint meetings or by any other method decided by ward committee through consensus.

(h) **Opinion of ward committees on certain types of projects:** For those projects, which require environmental clearances; or in which a public hearing is mandatory either under some law or under the provisions of that project; or which require any land acquisition; or which are related to privatization of any of the activities which were hitherto being done by the Government; for all such projects, the State Government or municipality or any other agency implementing or planning such project shall submit for the consideration of all ward committees, which are directly or indirectly affected by that project, detailed project reports, including their cost and benefit analyses and all other documents connected with such project and allow 4 months' time for the ward committees to give their opinion. All opinions received from ward committees shall be compiled and published widely. Ward committee shall finalize its opinion in the manner laid down in section 21.

Provided that if any ward committee wishes to obtain any records or information related to that project and applies for the same to the designated office, the same shall be made available within seven days of application. If any ward committee raises objections that complete information or records were not made available to them, the State Government or the municipality or other implementing agency will have to extend the time limit of four months till such time as complete records are made available and sufficient time given to that ward committee to peruse those records.

(i) Allocation of funds received from various sources amongst mohalla sabhas: Ward committee shall allocate funds amongst its mohalla sabhas according to criterion as mutually agreed through consensus amongst all members. If consensus is not possible, mohalla infrastructure and human development index shall be computed for each mohalla in the same manner as ward index is calculated and the funds shall be allocated according to this index.

(j) To issue utilization certificate and completion certificate for every project carried out by ward committee. Any payment could be done by municipality or ward committee only after the ward secretary issues these certificates. Such certificates shall be issues in the manner as laid down in **Schedule 3**

21. Procedure to seek opinion/ ratification of mohalla sabhas on new projects, policies or activities proposed by ward committee:

(1) Ward Committee may initiate discussion on any new project or policy or activity either on its own or on request from State Government or on request from one or more mohalla sabhas or on a request from a group of citizens in that ward. If a group of citizens wishes to get any proposal discussed in a ward committee meeting, it should be signed by at least 100 voters of that ward.

(2) In either of these cases, a copy of the proposal with all related documents shall be sent to all mohalla sabhas requesting them to discuss it in their next mohalla sabha meeting and get their opinion.

(3) If the proposal is accepted by all mohalla sabhas, the proposal shall be treated as having been passed by the ward committee.

(4) If, however, some of the mohalla sabhas reject it or express doubts or seek clarifications, the ward committee members or such other members from affected mohalla sabhas or such other people as the ward committee deems fit, may address those mohalla sabhas in specially convened meetings for this purpose to remove their doubts. Efforts shall be made to remove doubts, modify proposal, wherever required, to address genuine concerns and thus persuade all sections of society to come to a consensus.

(5) If still, some Mohalla Sabhas do not agree, ward committee may decide to hold joint meetings of those mohalla sabhas and finally, if needed, the ward committee may decide to hold a ward sabha meeting. Efforts shall be made to have a decision through consensus in such joint meetings or in ward sabha meeting. However, if consensus is not possible, it shall be put to vote and a proposal carried by simple majority of those present and voting shall be treated to have been passed by that meeting.

21A. Procedure for making annual ward plan: Ward plan will have two components – first part of ward plan shall consist of those projects which have to be done at mohalla sabha levels and second part of the ward plan shall consist of those projects which have to be done at ward level. Compilation of all annual plans as passed by mohalla sabhas under section 13(d) shall form the first part of the ward plan. The second part of ward plan shall be prepared as follows:

(1) Ward Committee shall invite proposals, which have inter mohalla implications and have to be implemented at ward level. It will give 20 days time for the same. Mohalla sabhas or groups of individual voters may submit proposals. If a group of citizens wishes to get any proposal discussed in a ward committee meeting, it should be signed by at least 100 voters of that ward.

(2) All the proposals received above shall be compiled and this compiled list shall be sent to all mohalla sabhas requesting them to discuss it in their next mohalla sabha meeting and get their opinion.

(3) Ward Sabha meeting shall be convened to discuss these proposals. The date, time and venue of the meeting shall be widely circulated.

(5) Ward Sabha meeting shall also be a platform to discuss larger problems of that ward along with long term solutions for the same and include it in ward plan. Efforts shall be made to have a decision through consensus in ward sabha meeting. However, if consensus is not possible, it shall be put to vote and a proposal carried by simple majority of those present and voting shall be treated to have been passed.

Provided that if ward sabha so feels, it may decide to give preference to cooperatives of ward sabha members or their SHGs in award of contracts for works to be executed in that ward

Provided further that whoever gets contract for works to be executed in a ward, he/she shall give preference to ward sabha members for skilled or unskilled labour on the projects to be executed in that ward. The ward sabha shall be competent to decide the wages to be paid to the laborers working on such contracts, which shall not be less than the minimum wages prescribed by the state government. The ward sabha may also prescribe other welfare measures to be followed by the contractor for the labor working on such contracts.

Provided further that proposals for health and education of individuals or community or a part of the community shall be accorded highest priority while making annual plans.

Provided further that if in a ward, there are socially or economically vulnerable groups, at least that percentage of budget which is the percentage of the population of vulnerable groups to the total population, shall be earmarked and used for their benefit and priority shall be given to projects presented by these groups for such amounts.

Provided further that issues of social justice shall get preference while making annual plan.

(6) If the funds are not sufficient to implement entire ward plan, the ward committee, shall either reduce the size of the plan in ward sabha meeting or seek financial assistance from mohalla sabhas or municipality or other sources, as decided in ward sabha.

(7) Outcome at sub-section (5) above will form the second part of ward plan.

(8) This ward plan shall be sent to municipality, which shall include it in its annual municipal plan for that year.

(9) Whereas annual plans would be made on the basis of funds received in the beginning of the year, if any additional funds are received subsequently during the year, plans for spending the same would be made by following the same procedure as followed for annual plan.

21B. Ward Committee Secretariat: (1) The Municipality shall provide the ward committee with adequate funds and manpower to set up and run the ward committee secretariat. The municipality shall provide a fixed lumpsum amount every year, to be increased for at least inflation every year, to each ward committee. However, ward committee shall be competent to spend more amounts on secretariat out of its own resources, if it feels necessary.

(2) All Ward committee secretariat staff, including ward committee secretary, shall be directly appointed by the ward committee. Ward Committee secretary shall be appointed in the manner laid down in **Schedule 13**.

- (3) Functions of Ward Committee Secretary:
- (a) He/she shall be custodian of all records of ward committee.
 - (b) He/she shall be responsible for carrying out all directions and decisions of ward committee.
 - (c) He/she shall be responsible to ensure that all legal requirements expected of ward committee are fulfilled.
 - (d) He/she shall be required to ensure compliance of this Act at ward committee level.
- (4) Ward Secretary or any other employee for whom ward committee is the appointing authority can be removed in the manner laid down in **Schedule 12**.
- (5) Ward Secretary shall get such salary as prescribed by the Government but it shall not be less than the highest scale of a Class III employee in that state government. Such funds shall be provided by the state government.
- (6) The Ward may decide to give such allowances to the secretary out of its own funds as it may decide from time to time.

22. Ward Revenues:

- (1) The following shall constitute Ward Revenues:
- a. The State Government, while presenting annual budget in State Assembly shall, in accordance with the formula prescribed by the Finance Commission, which shall keep in mind the ward infrastructure and human development index, distribute funds amongst ward committees so that they would know on 1st April how much funds they would get in the coming Financial year under each head. These funds shall be untied funds and will be transferred to ward committees without any conditions whatsoever. At least 40% of the state plan funds shall be directly transferred to ward committees.
 - b. All funds, tied or untied, received directly from municipality, State or Central Government.
 - c. Revenues as received from various mohalla sabhas for specific projects.
 - d. All revenues raised through voluntary donations either untied or tied to any projects.
 - e. Funds received from various departments of municipality or state government for running institutions, maintaining assets and carrying on activities, which were earlier done by municipality or state government and would now be run by ward committee.
 - f. Funds collected by mohalla sabhas and deposited with ward committees.
 - g. Any other funds received by Ward committee from any other source.
- (2) Ward Committee shall levy taxes on items as may be notified. It shall collect taxes on such items as may be notified.

23. Powers of Ward Committees:

(1) Ward committee shall have the power to seek any information from any officer of the state Govt or Municipality related to the functioning of their ward or any information which could have some kind of bearing on their ward. Such officer shall provide information within such time as directed by ward committee, but such time shall not be less than a week.

(2) The employees and all assets of all such institutions which are functioning within the geographical boundaries of ward committee and which deal with items specified in **Schedule 8** and cater only to the public in that ward; all such assets which deal with issues in Schedule 8 and which fall squarely within the geographical boundaries of that ward along with the employees which are responsible for the maintenance of these assets, and; all such activities which deal with issues in Schedule 8 and which squarely fall within the geographical boundaries of that ward alongwith the employees responsible for carrying out those activities; shall stand transferred to the ward collectively. The funds (both capital and revenue) presently being spent for the upkeep, maintenance or running of such institutions, assets or activities shall henceforth be allocated to the ward committee by respective government. In their first meetings, the mohalla sabhas, under section 13(a) of this Act, shall decide which of these institutions shall be managed by mohalla sabhas and which ones will be managed by ward committee. The employees along with assets of those institutions shall accordingly get transferred to that mohalla sabha or ward committee.

(3) The transfers, disciplinary matters and salaries of the employees, which get transferred to ward committee shall be directly handled by ward committee. These matters related to such employees who get transferred to mohalla sabhas shall be maintained by ward committee at the directions of mohalla sabha. All these employees would be treated as employees of that ward and shall not be transferred out of that ward without the permission of that ward committee or mohalla sabha, as the case may be, unless ward committee or mohalla sabha seeks removal of that employee.

(4) Ward Committee shall have the power to summon any officer who is related to the functioning of any activity in that ward to the ward committee meetings whenever problems respecting their departments are to be discussed.

(5) Any Development Authority or any other authority, who is in charge of preparing the master plan for that town or city, shall call for the views of all ward committees, who shall finalize its views in consultation with its mohalla sabhas, before finalizing any master plans and zonal plans. That authority shall accept such views except in rarest of cases, wherein it shall give adequate reasons in writing for not doing so.

Provided that if any ward committee, after consulting its mohalla sabhas, recommends any amendment to existing master plan in relation to their area, the amendment shall be implemented by the Development authority or any other relevant agency unless there is a strong reason not to do so, which shall be communicated by the agency to the ward committee in writing. The implementation or rejection shall be communicated within a month and if aggrieved, ward committee could approach ombudsman for the same.

(7) Ward committee, in consultation with mohalla sabha, shall have the powers to appoint such additional staff as they feel necessary.

(8) Ward Committee shall have the powers to impose financial penalties on such government officials, who report to ward committee and with whose functioning the ward committee is dissatisfied.

Provided that such penalties shall be imposed in the manner laid down in **Schedule 14.**

Provided further that no penalty can be imposed on any officer without giving him an opportunity of being heard.

(9) As and when there is a vacancy on any post, which is transferred to Ward Committee, for whatever reasons, and a new appointment is required to be made, the same shall be done by the ward committee now and ward committee shall be treated as appointing authority for the same.

(10) to hire any consultants to seek technical guidance on any issue.

23A. Ward Finance Committee:

(a) Constitution of the Ward Finance Committee -

(1) A committee of such number of members as is equal to one fifth the total number of ward committee members, shall be constituted in every Ward as the Ward Finance Committee.

(2) The term of each member shall be one year. At the end of each year, new members shall be nominated.

(3) The constitution of the Ward Finance Committee shall be through nomination held within 1 month of the constitution of the Ward Committee. The chairperson shall nominate the ward finance committee. However, he shall ensure that every member becomes a member once in the five year term.

(4) The Ward Finance Committee shall also appoint from amongst themselves, one person as the Chairperson, who shall be the authorized signatory for maintenance and use of accounts.

(b) Functions and Duties of the Ward Finance Committee –

(i) The Ward Finance Committee shall prepare the annual budget for the Ward and place it before the meeting of the Ward Committee which will deliberate upon, and approve the budget. The Budget shall be presented by the Ward Finance Committee within seven months from the closure of the previous financial year.

(ii) The Ward Finance Committee shall also maintain ward-level bank accounts for all the receipts and expenditure activities of the ward.

(iii) The Ward Finance Committee shall ensure that all funds transfers shall be made out of this account to appropriate account heads of the municipality.

(iv) The Ward Finance Committee shall present accounts every 3 months at the meeting of the Ward Committee.

(v) The Ward Finance Committee shall prepare a quarterly report of the financial transactions of the Ward Committee, which shall include details of its receipts and expenditures and also its projections and suggestions for the next quarter. This report shall be made available to every member of the Ward Committee one week prior to the designated meeting for discussion of the report.

(vi)The report of the Ward Finance Committee shall be made available for public scrutiny.

24. Fund allocations:

- (1) The State Government shall, in its annual budget, separately mention the amount of funds allocated to each municipality and each ward committee. All such funds shall be untied funds in the form of direct allocations without any conditions.
- (2) The municipality shall, in its annual budget, separately mention the amount of funds allocated to each ward committee. All such funds shall be untied funds in the form of direct allocations without any conditions.
- (3) Unless there is some issue which has inter ward implications, like a road to be made across many wards, the state government or the municipality shall not make any scheme or expenditure on items in **schedule 8**.
- (4) Efforts shall be made by the state government and municipality to make such allocations by 1st April so that the ward committees and mohalla sabhas know by first week of April the funds allocated to them for current year.

25. Collection of taxes and allocation of funds:

- (1) The State Government and each municipality shall, through separate notifications, list out those items on which ward committee or mohalla sabha shall have the powers to levy and collect taxes. The notification shall also mention the percentage of such collections which should be deposited by ward committee or mohalla sabha with the state government or municipality.
- (2) The State Government and each municipality shall, through separate notifications, list out those items on which the state government or municipality shall levy taxes but ward committee or mohalla sabha shall collect those taxes. The notification shall also mention the percentage of such collections which should be deposited by ward committee or mohalla sabha with the state government or municipality.
- (3) The State Government and each municipality shall, through separate notifications, list out those items on which taxes shall be levied and collected by the state government or municipality, as the case may be, but a specified share of these taxes shall be allocated to various ward committees. These funds shall be allocated primarily to low income areas, to make up for the lower tax collections that they may have at sub-sections (1) and (2) above and also to provide for additional funds for general upliftment of these areas.
- (4) The State Finance Commission shall give its recommendations on the above three points. In making these recommendations, the Commission shall be guided by the premise that most of the funds which have to be spent at the lowest levels should be decided upon and spent at those levels only.
- (5) Funds received by state Government and municipality from Central Government or at sub-sections (1) and (2) above or from any other sources and which have

to be allocated amongst ward committees, shall be done according to the formula prescribed by State Finance Commission. The state finance commission shall keep in mind the ward infrastructure and human development index to ensure that more funds flow to those wards which are underdeveloped and also have lower collections of their own.

26. Inter ward issues: All issues which have inter ward ramifications, shall be decided by the municipality by forming a committee of the councillors of all such wards put together. This shall be called wards committee. The Committee shall elect one amongst themselves as its chairperson. They shall take decisions on such inter ward matter. The Committee shall work only for the specific purpose for which it was constituted. The ward councillors shall represent in that committee as he/she has been so authorized by their respective ward committees. Appropriate directions shall be issued to respective line department heads by such committee for the implementation of committee's decisions. This committee shall have the powers to order imposition of penalty on officials, if they are not satisfied with the implementation of their decisions, after giving an opportunity of being heard to the officer.

26A. Administrative approval: All projects cleared by mohalla sabha or ward committee or wards committee shall be treated as administrative and financial approvals for such projects. Concerned officials shall immediately proceed with technical sanctions, wherever needed.

27. Power to make rules:

- (1) The State Government shall make rules on subjects as required under this Act.
- (2) Mohalla sabhas and ward committees could make their own rules for the proper functioning of this Act and to smoothly conduct their business under this Act.

28. Power to impose penalties if officers do not provide information: If information is sought by mohalla sabha under sections 14(i) and 14(ii) of this Act or by ward committee under section 23(1) of this Act and information is not provided within the time specified by the mohalla sabha or ward committee, which shall not be less than a week, the mohalla sabha or the ward committee, as the case may be, shall be competent to impose monetary penalty on such officer, not exceeding Rs 25,000, for each such request. On receipt of such directions, it shall be the responsibility of respective DDO to implement it immediately, else he shall make himself liable for penal action.

29. Transparency of mohalla sabha and ward committee records: All the documents, files etc of the ward committee and mohalla sabha office shall be open for public inspection for three days a week between 5 pm and 7 pm. Any person may walk into these offices and ask for inspection of such documents. The person seeking inspection need not be a member of that mohalla or ward. If he needs any photocopies, he shall make an application clearly specifying the documents whose copies he needs and pay @ Re 1 per page of photocopying required to the mohalla sabha secretary or ward committee secretary, as the case may be, who shall provide such copies within a

week of receipt of such a request. If the person seeking information wishes to obtain information by post, he shall pay additional charges to cover that cost also. Mohalla sabha or ward committee, as the case may be, shall have the power to impose penalty on any official who does not share information as provided above or creates any obstacle.

30. The provisions of this Act shall supercede the provisions of all existing laws. This Act cannot be amended without the approval from at least two thirds of mohalla sabhas of that state.

PART IV

OMBUDSMAN

30. THERE SHALL BE A THREE MEMBER OMBUDSMAN FOR EACH MUNICIPALITY TO RECEIVE, ENQUIRE AND ACT UPON COMPLAINTS OF VIOLATION OF ANY OF THE PROVISIONS OF THIS ACT BY ANY INDIVIDUAL, INSTITUTION OR GOVERNMENT AGENCY.

30A. ONLY FOLLOWING SHALL BE ELIGIBLE FOR BECOMING A MEMBER OF OMBUDSMAN:

- (1)** HE SHOULD AT LEAST BE A GRADUATE
- (2)** HE SHOULD HAVE AT LEAST 15 YEARS OF EXPERIENCE IN PUBLIC LIFE.
- (3)** HE NEED NOT BE A RESIDENT OF THE SAME MUNICIPALITY BUT SHOULD PREFERABLY BE RESIDENT OF THE SAME STATE.

31. APPOINTMENT OF OMBUDSMAN:

- (1)** THERE SHALL BE A SEARCH COMMITTEE CONSISTING OF 10 EMINENT PEOPLE FROM THAT STATE WHO HAVE WON NATIONAL OR INTERNATIONAL ACCLAIM IN THEIR FIELDS AND HAVE BEEN RECOGNIZED BY WAY OF NATIONAL OR INTERNATIONAL AWARDS. THE COMMITTEE SHALL ELECT ONE AMONGST THEMSELVES AS ITS CHAIRPERSON IN ITS FIRST MEETING. THE COMMITTEE SHALL BE CONSTITUTED BY THE STATE GOVERNMENT.
- (2)** THE COMMITTEE SHALL CALL FOR NAMES FROM GENERAL PUBLIC. PEOPLE COULD EITHER APPLY FOR THEMSELVES OR RECOMMEND SOMEONE ELSE'S NAME. COMMITTEE MEMBERS COULD THEMSELVES SUGGEST NAMES.
- (3)** THE NAMES THUS RECEIVED SHALL BE PUT ON A WEBSITE WITH THEIR DETAILED BIO DATAS. PUBLIC COMMENTS SHALL BE INVITED FOR A PERIOD OF ONE MONTH ON THESE NOMINATIONS. THESE COMMENTS WILL ALSO BE PUT ON THE WEBSITE.
- (4)** THE SEARCH COMMITTEE SHALL RECOMMEND TWICE THE NUMBER OF NAMES AS THERE ARE VACANCIES TO THE CHIEF MINISTER KEEPING IN MIND THE BIO DATAS AND PUBLIC COMMENTS.
- (5)** A COMMITTEE CONSISTING OF ONE REPRESENTATIVE OF EACH POLITICAL PARTY IN STATE LEGISLATURE SHALL FINALISE THE NAMES FROM THE NAMES SUGGESTED AT SUB-SECTION (4) ABOVE.
- (5)** THE GOVERNOR SHALL APPOINT THE PERSONS SO RECOMMENDED BY THIS COMMITTEE AS MEMBERS OF OMBUDSMAN.

32. PERSONS APPOINTED AS OMBUDSMAN SHALL HOLD OFFICE FOR A TERM OF THREE YEARS FROM THE DATE ON WHICH HE ENTERS UPON HIS OFFICE.

33. PERSONS APPOINTED AS OMBUDSMAN SHALL BE ENTITLED TO SALARY AND ALLOWANCES AS ARE ADMISSABLE TO A JUDGE OF THE HIGH COURT.

34. POWERS OF DUTIES OF OMBUDSMAN: (1) IT SHALL HAVE THE POWERS TO DIRECT SUCH ACTION SO AS TO SEEK APPROPRIATE COMPLAINT OF THIS ACT.

(2) THE OMBUDSMAN SHALL, FOR THE PURPOSES OF ANY INVESTIGATION OR ENQUIRY UNDER THIS ACT, HAVE THE SAME POWERS AS ARE VESTED IN A CIVIL COURT WHILE TRYING A SUIT UNDER THE CODE OF CIVIL PROCEDURE, 1908 (CENTRAL ACT V OF 1908) IN RESPECT OF THE FOLLOWING MATTERS, NAMELY

(A) SUMMONING AND ENFORCING THE ATTENDANCE OF ANY WITNESS AND EXAMINING HIM;

(B) REQUIRING THE DISCOVERY AND PRODUCTION OF ANY DOCUMENT;

(C) RECEIVING EVIDENCE ON AFFIDAVITS;

(D) REQUISITIONING ANY PUBLIC RECORDS, OR COPY THEREOF FROM ANY COURT OR OFFICE;

(E) ISSUING COMMISSIONS FOR THE EXAMINATION OF WITNESS;

(F) SUCH OTHER POWERS AS ARE PRESCRIBED;

(3) OMBUDSMAN SHALL BE DUTY BOUND TO GIVE JUDGEMENT ON EACH COMPLAINT WITHIN A MONTH OF RECEIPT OF THAT COMPLAINT.

(4) OMBUDSMAN SHALL HAVE THE POWERS TO IMPOSE FINANCIAL PENALTIES ON ANY PERSON, INCLUDING GOVERNMENT OFFICIALS WHICH SHALL BE PAYABLE BY THEM IN THEIR PERSONAL CAPACITY, TO SEEK COMPLIANCE OF ITS ORDERS.

PROVIDED THAT SUCH PENALTIES SHALL BE IMPOSED ONLY AFTER GIVING AN OPPORTUNITY OF BEING HEARD TO THAT PERSON

(5) ALL THREE MEMBERS SHALL HEAR ALL COMPLAINTS AND CASES AS ONE BENCH ONLY. DECISIONS SHALL BE TAKEN, AS FAR AS POSSIBLE THROUGH CONSENSUS. WHEREVER CONSENSUS IS NOT POSSIBLE, THROUGH MAJORITY OF THE THREE MEMBERS, BUT NOTE OF DISSENTING MEMBER SHALL ALSO BE APPENDED TO THE DECISION.

35. STATE GOVERNMENT SHALL PROVIDE ALL RESOURCES REQUIRED FOR THE EFFICIENT FUNCTIONING OF OMBUDSMAN.

36. OMBUDSMAN SHALL ENTERTAIN CASES OF THE FOLLOWING TYPES:

A. COMPLAINTS OF VIOLATION OF THIS ACT

B. COMPLAINTS OF NON-COMPLIANCE OF ORDERS MADE UNDER THIS ACT BY VARIOUS GOVERNMENT AGENCIES.

C. OTHER MATTERS SPECIFICALLY MENTIONED AT VARIOUS PLACES IN THIS ACT.

D. ANY OTHER MATTERS PRESCRIBED OR DEEMED FIT TO BE ENTERTAINED BY THE OMBUDSMAN

37. REMOVAL OF ANY MEMBER OF OMBUDSMAN: (1) IF 50 OR MORE MOHALLA SABHAS PASS A RESOLUTION DEMANDING REMOVAL OF ANY MEMBER OF OMBUDSMAN, SUCH A PROPOSAL SHALL BE CIRCULATED BY THE MUNICIPALITY AMONGST ALL MOHALLA SABHAS FOR THEIR OPINION.

(2) IF MORE THAN TWO THIRDS OF MOHALLA SABHAS IN THAT MUNICIPALITY ENDORSE SUCH A PROPOSAL, THAT MEMBER SHALL BE TREATED AS REMOVED.

Schedule 1

Procedure for making mohalla sabha plan

The following procedure shall be adopted:

1. State Government and municipality, while presenting their annual budgets shall, in accordance with the formula prescribed by the Finance Commission, distribute funds amongst ward committees so that they get the funds by first week of April each year.
2. Ward Committee shall convene a special meeting, within a week of being informed by the state government and the municipality about the quantum of funds to be received by them during current year. In this meeting the ward committee shall decide the funds to be kept with ward committee and the amounts to be allocated to various mohalla sabhas. The inter se distribution amongst various mohalla sabhas shall be done according to principles unanimously agreed amongst mohalla sabha members. If there is no unanimity, mohalla infrastructure and human development index shall be made for each mohalla and funds shall be allocated amongst them according to that index.
3. Regarding the funds received by ward committee from mohalla sabhas by way of collection of taxes by them, after remitting the amounts to be remitted to municipality or state government, the ward committee shall allocate 50% of the balance amount to the mohalla sabha from where it was collected and retain the balance 50%.
4. Every Mohalla Sabha shall, in its next meeting or latest in the one thereafter, make a plan of the year in the manner laid down below for the funds thus allocated to them.
5. As soon as a mohalla sabha receives intimation of the amounts to be received by them during the year, the mohalla sabha secretariat shall start inviting proposals, by giving adequate publicity in the mohalla in a manner as decided by mohalla sabha in one of its earlier meetings, from people.
6. Every proposal shall include the exact location of work, brief description of work and reasons why it is needed. If anyone cannot describe a proposal in this manner, he/she may express the problem, which could be discussed in the meeting and solutions to the same solicited.
7. In order to qualify to be taken up for discussion in mohalla sabha meeting, a proposal should be signed by at least 20 members.
8. Last date for receipt of proposals shall be 20 days before the date of mohalla sabha meeting.
9. List of all proposals, which are signed by more than 20 members, shall be compiled by mohalla sabha secretariat and adequately publicized at least a week before the meeting.
10. Appropriate officer shall make an estimate of each of these proposals within these 20 days so as to be able to present them at the meeting.
11. The list of proposals, its estimates and list of those recommending that proposal shall be presented at the meeting.
12. In the meeting, the mohalla sabha shall decide how much money should be set aside for future requirements during the year for emergencies and contingencies. Plan shall be made for the rest of the budget.

13. Each proposal shall be read out loudly by one of the signatories to that proposal. He/she shall briefly explain the proposal and answer queries from the public. The mohalla sabha, in the beginning of the meeting, can decide the time to be allotted for discussion on each proposal, depending upon the number of proposals received and time available for the meeting.
14. Which proposals should be done this year with the available funds and what should be their inter se priority: The mohalla sabha shall decide this through consensus, as far as possible. However, if it is not possible to arrive at consensus, it can be put to vote through a raise of hands.
15. This shall become the plan of the mohalla for the current year. It shall be forwarded to the ward committee to be included in ward committee plan.
16. If it is felt that the aspirations and problems of any kind of minority could not be adequately represented in the plan this year due to shortage of funds and if the mohalla sabha so approves, the proposals submitted by them may be placed at topmost priority next year.
17. If any proposal has inter mohalla implications, such proposals shall be taken to the ward committee by mohalla sabha representative.

Schedule 2

Procedure for identifying people for Government's beneficiary-oriented schemes

1. Wide publicity shall be given to all Government's beneficiary-oriented schemes. Special efforts shall be made to inform those people who are in mohalla's list of illiterate, homeless, destitutes and unemployed people. Applications shall be called for each of these schemes. A preliminary report on each of the applicant's background shall be prepared.
2. All this data shall be presented in the next mohalla sabha meeting and the priority list of applicants shall be prepared by the mohalla sabha through consensus but if consensus is not possible, through voting on each name.
3. If mohalla sabha feels that the number of people in need of a particular scheme is more than the funds sent by the Government or municipality, the mohalla sabha may decide to provide some additional funds from its own funds so as to cover the remaining needy people.
4. A person once identified as a beneficiary, shall not be removed from the list for at least a year. Next year, the list shall be again prepared afresh in the above manner to ensure that poorer people are accommodated and those whose situation has improved are removed from the list.

Schedule 3

Procedure to issue utilisation certificate and completion certificate

1. Before the start of any work, the detailed estimates and sketches of the work shall be placed in mohalla sabha office and an announcement to that effect made in mohalla sabha meeting. Any member can inspect or take photocopies of the same (by paying normal copying charges).
2. While a work is going on, if the residents feel that the work is not taking place as per specifications or the execution of work is causing huge problems in any manner to the residents and the same could be avoided if the work were done in another manner, they shall inform the mohalla sabha secretary, who shall request the contractor to make necessary amends. If contractor fails to do so, the mohalla sabha secretary shall order contractor to stop the work and the matter shall be placed for discussion in next mohalla sabha meeting.
3. When a contractor informs the mohalla sabha secretary about the completion of a work, the mohalla sabha secretary will fix a time, when the members and the contractor shall be present for joint inspection. This date shall be adequately advertised. If any member wishes to measure the work, he/she may do so at appointed time in the presence of other members and the contractor. Any member may also pick up a sample from the work.
4. The findings of the above inspection and report of samples picked up from the spot shall be placed in next mohalla sabha meeting, which will approve/disprove accordingly by a majority vote by raise of hands.

Schedule 4

Procedure for revocation and allotment of FPS and KOD

1. If anyone faces any problem in receiving rations or kerosene or if the FPS or KOD owner violates any of the laws or rules related to distribution of rations or kerosene, he/she may
 - a. either give a written complaint to the mohalla sabha secretary or
 - b. just go and verbally inform the mohalla sabha secretary who shall be duty bound to reduce this complaint in writing or
 - c. just raise this issue in any of the beneficiary sabha meetings at any time.
2. If the complaint is brought before mohalla sabha secretary, he shall follow the following steps:
 - a. he shall immediately forward it to the FPS or KOD for redressal.
 - b. Such a complaint shall be compulsorily brought before next beneficiary sabha meeting. The beneficiary sabha shall award compensation to the complainant for the loss suffered by him/her due to non-receipt of full

rations in prescribed quantities and other direct and indirect losses suffered by the complainant. This amount shall be paid by the FPS or KOD owner, as the case may be.

- c. The complainant shall also be asked whether the problem had been redressed in the meanwhile or not. If the problem has not been redressed, the beneficiary sabha shall hear the shop owner in the mohalla sabha. The beneficiary sabha may decide to get an enquiry done to ascertain truth by forming a committee of such people on whom both the complainant and the shop owner have faith. The matter shall again be taken up in the next beneficiary sabha meeting and on the basis of enquiry report and whether the shop owner had redressed the complaint in the meanwhile or not, the beneficiary sabha shall take all necessary steps, including cancellation of the shop.
 - d. If a resolution is passed by beneficiary sabha canceling any shop, the mohalla sabha secretary shall send a copy of such resolution to the concerned officials in Food and Supply Department, who shall complete the formalities for cancellation of such shop within a week of receipt of such a resolution.
3. If anyone directly raises such an issue in any beneficiary sabha meeting, this issue must be discussed in that meeting, either at the end of the meeting or during the meeting, even if it were not in the agenda. Depending on the severity of the grievance, the beneficiary sabha may direct the shop owner to resolve the grievance in a particular manner and within directed time and may award compensation for the losses suffered by the complainant. The matter shall again be taken up in next beneficiary sabha meeting and dealt with in the manner as mentioned in point no 2 above.
 4. If a shop is cancelled as above, the mohalla sabha secretary shall call for applications. All such applications shall be placed before the next beneficiary sabha meeting. The shop shall be allotted to a person from the same mohalla unless people have strong objections to all applicants from this mohalla. Preference shall also be given to the poorest of them and those who are unemployed. If people feel he may not have the capital to run the shop, the beneficiary sabha may even decide to loan him/her some amount from mohalla sabha funds, after seeking approval of larger mohalla sabha, to be able to start his shop.

Schedule 5

Procedure for imposing penalties on officials with whom mohalla sabha expresses dissatisfaction

1. If many grievances are raised against an officer in a mohalla sabha meeting or if for any reasons, mohalla sabha decides that the performance of that officer is not

satisfactory, the mohalla sabha may issue directions to that officer directing him to make amends.

2. If the officer still does not make amends, the mohalla sabha may decide to issue summons to that officer with or without a show cause notice to show why penalty should not be imposed upon him.
3. Upon receipt of such summons or show cause notice, it shall be incumbent upon that officer to be personally present in the next mohalla sabha meeting to present his explanation.
4. Depending upon his explanation and whether he has improved subsequently, the mohalla sabha, in its next meeting, may decide to either condone the officer with or without a warning or impose a penalty upon him.
5. If penalty is imposed upon the officer, directions shall be issued to the ward committee, if he/she is an employee of the ward or mohalla sabha to deduct his/her salary to that extent, or if he is the employee of state government or municipality, a copy of such resolution shall be sent to Ombudsman.

Schedule 6

Procedure for allowing/disallowing industrial activity or land use conversion

1. If any person wishes to start any industrial activity in that mohalla or wishes to convert land use (without violating any of existing land use laws), he/she shall make an application giving all details to the mohalla sabha secretary.
2. This matter shall be discussed in the next mohalla sabha meeting. People will get a chance to discuss the impact of such activity on the mohalla. After discussions, people may disallow such activity or allow it at such terms and conditions as may be prescribed by mohalla sabha.
3. If the applicant violates any of those terms and conditions at any time in future, the mohalla sabha may either cancel the permission or give him time to remove those violations.
4. Decisions in all such cases shall be taken by a majority of two-thirds of members present and voting by simple raise of hands.

Schedule 7

Procedure to be adopted for appointment of mohalla sabha secretary

1. Mohalla Sabha may prescribe qualifications required to become mohalla sabha secretary. Some of these qualifications could be:
 - a. He should be a graduate or a post-graduate.
 - b. He should have been actively involved in mohalla affairs for five years.
 - c. He should have reasonably good relations with most people in mohalla.
 - d. He should be a resident of that mohalla.
 - e. His integrity, as known to people in that mohalla, should be beyond doubt.

- f. Any other points prescribed by mohalla sabha.
2. Mohalla sabha representatives shall call for applications.
3. Mohalla sabha shall form a committee of four people, who shall interview the applicants and present their recommendations to the next mohalla sabha meeting.
4. The mohalla sabha may accept or reject the recommendations of the committee. Final decision shall be taken by simple vote by raising of hands.

Schedule 8

List of items on which mohalla sabha and ward committee shall have jurisdiction

1. All items mentioned in Schedule 12 of constitution, to the extent that the activity falls within the geographical jurisdiction of mohalla or ward or the asset falls within the geographical jurisdiction of that mohalla or ward or the institution caters only to the people within the geographical jurisdiction of that mohalla or ward.
2. Fair Price shops in that mohalla
3. Identification and verification of beneficiaries and preparing their inter se priority list
4. Issue of income and residence certificates
5. Recommending to appropriate authorities for inclusion/deletion or alteration of names in voters lists
6. Issue utilization and completion certificates for all works carried out by any agency in that ward
7. To take all steps to ensure employment for all, that all people have adequate educational and health facilities, that everyone has a home and no one starves in that mohalla/ward
8. To recommend cases for registration of FIR to the police
9. To be consulted before preparation of master plans or to recommend any amendments thereto
10. To recommend whether land can be acquired in that mohalla/ward or not and if yes, at what terms and conditions
11. To allow permission for removal of slums
12. To levy and collect such taxes as may be notified

Schedule 9, 10 and 11

Procedure for inclusion of names in voter's list or issue of income or residence certificates

1. Any person resident in a mohalla may apply to mohalla sabha secretary for either issue of income or residence certificate or inclusion of name in voter list or removal of name from voter list.
2. Within a week of receipt of such an application, the mohalla secretary, on the basis of records available with him or on the basis of such enquiries as he/she deems fit,

prepare his/her recommendations on each case to be put up to mohalla sabha in its next meeting.

3. All these cases will be discussed in next mohalla sabha meeting and certificates issued or recommendations made for inclusion/deletion of names from voters list on the basis of resolutions passed by Mohalla sabha.

Schedule 12

Procedure for removal of ward committee secretary or any other employee of ward committee.

1. If more than half of the mohalla sabhas in a ward request the ward committee to remove any employee of ward committee, the same shall be removed by ward committee within a month of receipt of such resolutions.
2. If the ward committee wishes to remove any employee and a resolution to that effect is passed by two thirds majority of the ward committee members, the employee may be removed.
3. If the ward committee receives representation from 100 members of that ward sabha seeking removal of any ward employee, the ward committee shall deliberate upon the same and may remove him/her if two thirds majority of those present and voting in that ward committee meeting approve it. If however, the ward committee decides not to remove that employee, it shall be incumbent upon the ward` committee to ensure that the grievance of complainants is adequately redressed and the employee in question is either reprimanded or penalized, if the employee is at fault.

Schedule 13

Procedure for appointment of ward committee secretary

1. Ward committee may prescribe qualifications required to become ward committee secretary. Some of these qualifications could be:
 - i. He should be a graduate or a post-graduate.
 - ii. He should be a resident of that ward.
 - iii. His integrity, as known to people, should be beyond doubt.
 - iv. Any other points prescribed by ward committee.
2. Ward committee shall form a four member search committee which will call for applications.
3. Search committee will interview the applicants and present their recommendations to the next ward committee meeting.
4. The ward committee may accept or reject the recommendations of the committee. Final decision shall be taken by a vote of two thirds majority of the members present and voting in that ward committee meeting.

Schedule 14

Procedure for imposing penalties on officials by ward committee

1. If many grievances are received by ward committee against an officer or if ward committee itself is dissatisfied with the performance of an official for any reasons, ward committee may issue directions to that officer directing him to make amends.
2. If the officer still does not make amends, the ward committee may decide to issue summons to that officer with or without a show cause notice to show why penalty should not be imposed upon him.
3. Upon receipt of such summons or show cause notice, it shall be incumbent upon that officer to be personally present in the next ward committee meeting to present his explanation.
4. Depending upon his explanation and whether he has improved subsequently, the ward committee, in its next meeting, may decide to either condone the officer with or without a warning or impose a penalty upon him.
5. If penalty is imposed upon that officer, directions shall be issued to the ward committee secretary, if he/she is an employee of the ward to deduct his/her salary to that extent, or if he is the employee of state government or municipality, a copy of such resolution shall be sent to Ombudsman.

Schedule 15

Procedure for issue of utilization certificates and completion certificates by Ward committee secretary.

1. Before the start of any work, the detailed estimates and sketches of the work shall be placed in ward committee office. This shall be conveyed to all mohalla sabhas, who may put up notices in their office and also inform mohalla sabhas in next meeting. Any member can inspect or take photocopies of the same (by paying normal copying charges).
2. While a work is going on, if the residents feel that the work is not taking place as per specifications or the execution of work is causing huge problems in any manner to the residents and the same could be avoided if the work were done in another manner, they shall inform the ward secretary, who shall request the contractor to make necessary amends. If contractor fails to do so, the ward secretary shall order contractor to stop the work and the matter shall be placed for discussion in next ward committee meeting.
3. If residents are not satisfied with the action taken by ward committee, they may take up this issue in their mohalla sabha meeting, which may pass appropriate resolution and require ward committee to take appropriate steps to either remove deficiencies in the work and/or remove inconveniences to the people.
4. When a contractor informs the ward secretary about the completion of a work, the ward secretary will fix a time, when the ward sabha members and the contractor shall be present for joint inspection. This date shall be adequately advertised. If any member wishes to measure the work, he/she may do so at appointed time in the

presence of other members and the contractor. Any member may also pick up a sample from the work.

5. If residents are dissatisfied with the work, they may take up this issue in their mohalla sabha meeting, which may pass appropriate resolution and require ward committee to take appropriate steps to remove those deficiencies before issuing such certificates.
6. The findings of the above inspection, report of samples picked up from the spot and objections received from residents or mohalla sabhas shall be placed in next ward committee meeting, which will approve/disprove accordingly by a majority vote by raise of hands.

Schedule 16

Procedure for removal of mohalla sabha secretary or any other employee of mohalla sabha

1. If residents are dissatisfied with the performance of mohalla sabha secretary or any mohalla sabha employee, they may bring a resolution in any mohalla sabha meeting.
2. On approval of mohalla sabha, a committee shall be formed by mohalla sabha, which shall enquire into the allegations against that employee.
3. After hearing both parties and making appropriate enquiries, the committee shall present its report to the mohalla sabha in its next meeting, which may decide whether to remove that employee or not.
4. If two thirds of those present and voting vote for removal of that employee, the employee shall be treated as been removed.