

Under Rule 130 of the Tamil Nadu Legislative Assembly Rules, the following Bill which was introduced in the Legislative Assembly of the Tamil Nadu on 9th May, 2022 is published together with Statement of Objects and Reasons for general information:-

L.A Bill No. 34 of 2022

A Bill to revive and further to amend the Tamil Nadu Urban Local Bodies Act, 1998.

Be it enacted by the Legislative Assembly of the State of Tamil Nadu in the Seventy-third Year of the Republic of India as follows:—

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| Tamil Nadu Act 9 of 1999. | <p>1. (1) This Act may be called the Tamil Nadu Urban Local Bodies (Amendment) Act, 2022.</p> <p>(2) It shall come into force on such date as the State Government may, by notification, appoint.</p> | Short title and commencement. |
| Tamil Nadu Act 9 of 1999. | <p>2. In section 2 of the Tamil Nadu Urban Local Bodies Act, 1998 (hereinafter referred to as the principal Act), —</p> <p>(1) in clauses (6), (7), (11), (13) and (33) for the expression “municipality”, wherever it occurs, the expression “municipal council” shall be substituted;</p> <p>(2) in clause (9), for sub-clause (a), the following sub-clause shall be substituted, namely:—</p> <p>“(a) any company as defined in the Companies Act, 2013, (Central Act 18 of 2013) including any foreign company within the meaning of clause (42) of section 2 of that Act;”;</p> <p>(3) for clause (19), the following clause shall be substituted, namely:—</p> <p>“(19) “municipality” with its grammatical variation means the municipal corporation or the municipal council or the town panchayat constituted or deemed to have been constituted under this Act;”.</p> <p>(4) after clause (28), the following clause shall be inserted, namely:—</p> <p>“(28-A) “prescribed” means prescribed in the rules made under this Act;”.</p> | Amendment of section 2. |
| Tamil Nadu Act 9 of 1999. | <p>3. In section 3 of the principal Act,—</p> <p>(1) in sub-section (1),—</p> <p>(a) for clause (a), the following clause shall be substituted, namely:—</p> <p>“(a) a “town panchayat”, a transitional area, that is to say, an area in transition from a rural area to an urban area, where the population is estimated at not less than ten thousand and the annual income is not less than thirty lakhs of rupees;”;</p> <p>(b) in clause (b), for the expression “municipality”, the expression “municipal council” shall be substituted;</p> <p>(c) in clause (c), for the expression “five lakhs”, the expression “three lakhs” shall be substituted;</p> <p>(2) in sub-section (2), —</p> <p>(a) in clause (b), for the expression “forty-five days”, the expression “six weeks” shall be substituted;</p> <p>(b) after clause (h), the following clauses shall be added, namely: —</p> | Amendment of section 3. |

“(i) If any local area in which the Tamil Nadu Panchayats Act, 1994 (Tamil Nadu Act 21 of 1994) is in force, is constituted as a town panchayat under this Act, the President, Vice-President and members for such local area, who are elected and holding office as such immediately before the date of constitution of such local area as town panchayat, shall be deemed to be the Chairperson, Deputy Chairperson and Councillors of such town panchayat under this Act and such Chairperson, Deputy Chairperson and members shall continue to hold office upto the date on which their term of office would expire under the Tamil Nadu Panchayats Act, 1994 (Tamil Nadu Act 21 of 1994) and shall exercise all powers conferred on, and perform all duties assigned to, them under this Act;

(j) If any town panchayat is constituted as municipal council or any municipal council is constituted as municipal corporation under this Act, the Chairperson, Deputy Chairperson and Councillors of such town panchayat or municipal council, who are elected and holding office as such immediately before the date of constitution of such municipal council or municipal corporation under this Act, shall be deemed to be the Chairperson, Deputy Chairperson and Councillors of such municipal council or Mayor, Deputy Mayor and Councillors of such municipal corporation and shall continue to hold office as such upto the date on which their term of office would expire under this Act and such Chairperson, Deputy Chairperson and Councillors shall exercise all powers conferred on, and perform all duties assigned to, them under this Act;

(k) If any local area in which the Tamil Nadu Panchayats Act, 1994 (Tamil Nadu Act 21 of 1994) is in force, is included in a town panchayat or municipal council or municipal corporation, as the case may be, the President, Vice-President and members of such local area, who are elected and holding office as such immediately before the date of inclusion in the town panchayat or municipal council or municipal corporation, as the case may be, shall continue to hold office as such upto the date on which their term of office would expire under the Tamil Nadu Panchayats Act, 1994 (Tamil Nadu Act 21 of 1994) and such President, Vice- President and members shall exercise all such powers conferred on, and perform all such duties assigned to, them under the Tamil Nadu Panchayats Act, 1994 (Tamil Nadu Act 21 of 1994) subject to such conditions as may be prescribed;

(l) If any area in which this Act is in force, is included in a town panchayat or municipal council or municipal corporation, as the case may be, the Chairperson, Deputy Chairperson and Councillors of such local area who are elected and holding office as such immediately before the date of inclusion in the town panchayat or municipal council or municipal corporation, as the case may be, shall continue to hold office as such upto the date on which the term of office would expire under this Act and such Chairperson, Deputy Chairperson and Councillors shall exercise all such powers conferred on, and perform all such duties assigned to them under this Act subject to such conditions as may be prescribed.”.

Amendment of section 4.

4. In section 4 of the principal Act, for sub-section (1), the following sub-sections shall be substituted, namely:—

“(1) The town panchayats and municipal councils constituted under the Tamil Nadu District Municipalities Act, 1920 (Tamil Nadu Act V of 1920) shall be deemed to have been constituted and incorporated under this Act and are hereby declared to be the town panchayats and municipal councils, as the case may be, by their respective names and in their respective areas;

(1-A) The following municipal corporations shall be deemed to have been constituted and incorporated under this Act and are hereby declared to be the municipal corporations by their respective names and in their respective areas, namely :—

(i) the Municipal Corporation of Chennai constituted under the Chennai City Municipal Corporation Act, 1919 (Tamil Nadu Act IV of 1919);

(ii) the Municipal Corporation of Madurai constituted under the Madurai City Municipal Corporation Act, 1971 (Tamil Nadu Act 15 of 1971);

(iii) the Municipal Corporation of Coimbatore constituted under the Coimbatore City Municipal Corporation Act, 1981 (Tamil Nadu Act 25 of 1981);

(iv) the Municipal Corporation of Tiruchirapalli constituted under the Tiruchirapalli City Municipal Corporation Act, 1994 (Tamil Nadu Act 27 of 1994);

(v) the Municipal Corporation of Tirunelveli constituted under the Tirunelveli City Municipal Corporation Act, 1994 (Tamil Nadu Act 28 of 1994);

(vi) the Municipal Corporation of Salem constituted under the Salem City Municipal Corporation Act, 1994 (Tamil Nadu Act 29 of 1994);

(vii) the Municipal Corporation of Tiruppur constituted under the Tiruppur City Municipal Corporation Act, 2008 (Tamil Nadu Act 7 of 2008);

(viii) the Municipal Corporation of Erode constituted under the Erode City Municipal Corporation Act, 2008 (Tamil Nadu Act 8 of 2008);

(ix) the Municipal Corporation of Vellore constituted under the Vellore City Municipal Corporation Act, 2008 (Tamil Nadu Act 26 of 2008);

(x) the Municipal Corporation of Thoothukudi constituted under the Thoothukudi City Municipal Corporation Act, 2008 (Tamil Nadu Act 27 of 2008);

(xi) the Municipal Corporation of Thanjavur constituted under the Thanjavur City Municipal Corporation Act, 2013 (Tamil Nadu Act 24 of 2013);

(xii) the Municipal Corporation of Dindigul constituted under the Dindigul City Municipal Corporation Act, 2013 (Tamil Nadu Act 25 of 2013);

(xiii) the Municipal Corporation of Hosur constituted under the Hosur City Municipal Corporation Act, 2019 (Tamil Nadu Act 10 of 2019);

(xiv) the Municipal Corporation of Nagercoil constituted under the Nagercoil City Municipal Corporation Act, 2019 (Tamil Nadu Act 11 of 2019);

(xv) the Municipal Corporation of Avadi constituted under the Avadi City Municipal Corporation Act, 2019 (Tamil Nadu Act 24 of 2019);

(xvi) the Municipal Corporation of Cuddalore constituted under the Cuddalore City Municipal Corporation Act, 2022 (Tamil Nadu Act 1 of 2022);

(xvii) the Municipal Corporation of Kancheepuram constituted under the Kancheepuram City Municipal Corporation Act, 2022 (Tamil Nadu Act 2 of 2022);

(xviii) the Municipal Corporation of Sivakasi constituted under the Sivakasi City Municipal Corporation Act, 2022 (Tamil Nadu Act 3 of 2022);

(xix) the Municipal Corporation of Karur constituted under the Karur City Municipal Corporation Act, 2022 (Tamil Nadu Act 4 of 2022);

(xx) the Municipal Corporation of Tambaram constituted under the Tambaram City Municipal Corporation Act, 2022 (Tamil Nadu Act 5 of 2022) and

(xxi) the Municipal Corporation of Kumbakonam constituted under the Kumbakonam City Municipal Corporation Act, 2022 (Tamil Nadu Act 6 of 2022)."

5. In section 7 of the principal Act, in sub-section (1), for the expression "exclusive of its Chairperson", the expression "inclusive of its Chairperson" shall be substituted. Amendment of section 7.

6. In section 8 of the principal Act,—

Amendment of section 8.

(1) (a) in sub-section (6), for the expression "once in five years", the expression "once in ten years based on the last preceding census of which the relevant figures have been published." shall be substituted;

(b) to sub-section (6), as so amended, the following proviso shall be added, namely: —

"Provided that where any area is included within the limits of a town panchayat, municipal council or municipal corporation, as the case may be, the delimitation of wards for such area shall be completed before the next ordinary election."

- (2) after sub-section (6) as so amended, the following sub-section shall be added, namely: —
- “(7) Notwithstanding anything contained in this section, the Government may, for delimitation of wards of the municipality, act on the recommendations of the Delimitation Commission constituted under the Tamil Nadu Delimitation Commission Act, 2017 (Tamil Nadu Act 23 of 2017).”.
- Amendment of section 11. 7. In section 11 of the principal Act, the provisos shall be omitted.
- Amendment of section 12. 8. In section 12 of the principal Act, —
- (1) for the expression “Councillor or Chairperson”, wherever it occurs, including the marginal heading, the expression “Councillor” shall be substituted;
- (2) in sub-section (1), after clause (c), the following clause shall be added, namely:-
- “(d) if he is a member of the Legislative Assembly or a member of either House of Parliament.”;
- (3) in sub-section (2), for the expression “any contract”, the expression “any subsisting contract” shall be substituted;
- (4) in sub-section (6), in clause (c), in the first proviso, for item (iv) excluding the proviso thereunder, the following item shall be substituted, namely: —
- “(iv) any company or association, whether incorporated or not, which contracts with the municipality for supply of any goods or services.”;
- Insertion of new section 12-A. 9. After section 12 of the principal Act, as so amended, the following sections shall be inserted, namely:-
- “12-A. Grant of paid holiday to employees on the day of poll.—** (1) Every person employed in any business, trade, industrial undertaking or any other establishment and entitled to vote at the municipal election shall, on the day of poll, be granted a paid holiday.
- (2) No deduction or abatement of the wages of any such person shall be made on account of a holiday having been granted in accordance with sub-section (1) and if such person is employed on the basis that he would not ordinarily receive wages for such a day, he shall nonetheless be paid for such day the wages he would have drawn had not a holiday been granted to him, on that day.
- (3) If an employer contravenes the provisions of sub-section (1) or sub-section (2), then, such employer shall be punishable with fine which may extend to five thousand rupees.
- (4) This section shall not apply to any person whose absence may cause danger or substantial loss in respect of the employment in which he is engaged.”.
- Amendment of section 16. 10. In section 16 of the principal Act, in sub-section (2), for the expression “two hundred and fifty rupees”, the expression “two thousand rupees” shall be substituted.
- Amendment of section 19. 11. In section 19 of the principal Act, in sub-section (1), for the expression “an assistant returning officer”, the expression “an assistant returning officer or zonal officer” shall be substituted.
- Amendment of section 20. 12. In section 20 of the principal Act, in sub-section (2), for the expression “two hundred and fifty rupees”, the expression “two thousand rupees” shall be substituted.
- Amendment of section 23. 13. In section 23 of the principal Act, in sub-section (2), for the expression “two hundred and fifty rupees”, the expression “two thousand rupees” shall be substituted.
- Amendment of section 25. 14. In section 25 of the principal Act, for the expression “ballot paper”, occurring in three places including marginal heading, the expression “ballot paper or voting machine” shall be substituted.

15. After section 34 of the principal Act, the following section shall be inserted, namely: —

Insertion of new section 34-A.

“34-A. Furnishing of information on property.— Every Chairperson, Deputy Chairperson or Councillor shall, within ninety days from the date on which he makes or subscribes an oath or affirmation for taking his seat, furnish the following information, in such form and manner as may be prescribed:—

(a) the movable and immovable properties of which he, his spouse and his dependent children are jointly or severally owners or beneficiaries;

(b) his liabilities to any public financial institution; and

(c) his liabilities to the Central Government or State Government or to any municipality.”.

16. In section 35 of the principal Act, in sub-section (1), after the expression “the Government”, the expression “or the Tamil Nadu State Election Commission” shall be inserted.

Amendment of section 35.

17. In section 37 of the principal Act,—

Amendment of section 37.

(1) in sub-sections (4) and (5), for the expression “not be less than one third”, the expression “not be less than fifty per cent” shall be substituted;

(2) after sub-section (6), the following sub-section shall be inserted, namely:—

“(6-A) While determining the number of seats in every municipality for the purpose of reservation, any fraction which is less than half shall be disregarded and half and more than half shall be regarded as one.”.

18. In section 38 of the principal Act,—

Amendment of section 38.

(1) in sub-section (1), in clause (b), for the expression “not be less than one third”, the expression “not be less than fifty per cent” shall be substituted;

(2) after sub-section (1), as so amended, the following sub-section shall be inserted, namely:—

“(1-A) While determining the number of offices of the Mayor for the purpose of reservation, any fraction which is less than half shall be disregarded and half and more than half shall be regarded as one.”.

19. In section 39 of the principal Act,—

Amendment of section 39.

(1) in sub-section (1), in clause (b), for the expression “not be less than one third”, the expression “not be less than fifty per cent” shall be substituted;

(2) in sub-section (2), for the expression “not be less than one third”, the expression “not be less than fifty per cent” shall be substituted;

(3) after sub-section (2), as so amended, the following sub-section shall be inserted, namely:—

“(2-A) While determining the number of offices of Chairperson of the municipal councils for the purpose of reservation, any fraction which is less than half shall be disregarded and half and more than half shall be regarded as one.”.

(4) in sub-section (4), in clause (b), for the expression “not be less than one third”, the expression “not be less than fifty per cent” shall be substituted;

(5) in sub-section (5), for the expression “not be less than one third”, the expression “not be less than fifty per cent” shall be substituted;

(6) after sub-section (5), as so amended, the following sub-section shall be inserted, namely:—

“(5-A) While determining the number of offices of the Chairperson of the town panchayats for the purpose of reservation, any fraction which is less than half shall be disregarded and half and more than half shall be regarded as one.”.

Amendment of section 40.

20. In section 40 of the principal Act,—

(1) in sub-section (1),—

(a) for clause (iii), the following clause shall be substituted, namely:—

“(iii) protection of water bodies vested with municipalities;”;

(b) in clause (iv), for the expression “and drainage schemes”, the expression “drainage schemes and septage management” shall be substituted;

(c) for clauses (v) and (vi), the following clauses shall be substituted, namely:—

“(v) control of stray dogs;

(vi) control of vector including mosquito;”;

(d) in clause (viii), for the expression “dangerous trades”, the expression “trades” shall be substituted;

(e) in clause (xiii), the expression “electric” shall be omitted;

(f) in clause (xix), the expression “liquid waste and used water management” shall be added at the end;

(g) for clause (xviii), the following clause shall be substituted, namely:—

“(xviii) maintenance of public markets, shops, shopping complexes, bus stands, bus shelters, rest houses, public toilets and community toilets;”;

(h) in clause (xxii), for the expression “hoardings”, the expression “hoardings, digital banners, placards” shall be substituted;

(i) for clause (xxiv), the following clauses shall be substituted, namely:—

“(xxiv) organisation of fairs and exhibitions and regulation of private fairs and exhibitions;

(xxv) selection and approval of works under municipal fund and allocation of contribution from municipal fund to specified schemes; and

(xxvi) any other duty or function assigned to the municipalities by the Government.”;

(2) in sub-section (2), in clause (vii), for the expression “handicapped and mentally retarded”, the expression “street vendors and persons with disabilities” shall be substituted;

(3) in sub-section (3), after clause (vii) including the Explanation thereunder, the following clause shall be added, namely:—

“(viii) to require the Commissioner to produce any document in his custody.”.

Insertion of new section 43-A.

21. After section 43 of the principal Act, the following section shall be inserted, namely:—

“43-A. Chairperson, Deputy Chairperson and Councillor when to abstain from taking part in discussion and voting.— (1) No Councillor including Chairperson or Deputy Chairperson or any person referred to in clauses (ii) and (iii) of sub-section (1) of section 37 shall vote on, or take part in the discussion of any question coming up for consideration at a meeting of the council or of any standing committee or wards committee or any other committee, if the question is one in which, apart from its general application to the public, he has any direct or indirect pecuniary interest by himself or his partner.

(2) The Chairperson may prohibit any Councillor or such persons from voting on or taking part in the discussion of any matter in which the Councillor or such persons is believed to have any pecuniary interest, or he may require the Councillor or such persons to absent himself during the discussion.

(3) Such Councillor or such persons may challenge the decision of the Chairperson, who shall thereupon place the question at the meeting of the council and the decision of the council thereon shall be final.

(4) If the Chairperson is alleged to have any pecuniary interest in any matter under discussion by any Councillor or by such persons present at the meeting, he shall, on the motion of such allegation, if carried out, absent himself from the meeting during the discussion.

(5) The Councillor referred to in sub-section (2) shall not be entitled to vote on the question referred to in sub-section (3) and the Chairperson concerned shall not be entitled to vote on the motion referred in sub-section (4).

Explanation.— In this section, 'Chairperson' includes a Deputy Chairperson or Councillor presiding a meeting of the council.”.

22. In section 44 of the principal Act,—

Amendment of section 44.

(1) for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) The Council shall at its first meeting after each ordinary election to the Council elect one of its Councillors to be the Chairperson.”;

(2) sub-section (2) shall be omitted;

(3) for sub-section (5), the following sub-section shall be substituted, namely:—

“(5) The Chairperson shall be deemed to have vacated his office on cessation of his office as a councillor.”.

23. In section 45 of the principal Act, in clause (d), for the expression “other scheme”, the expression “other schemes financed from Municipal Fund” shall be substituted;

Amendment of section 45.

24. After section 46 of the principal Act, the following sections shall be inserted, namely:—

Insertion of new sections 46-A and 46-B.

“46-A. Re-eligibility of Chairperson and Deputy Chairperson.—An outgoing Chairperson or Deputy Chairperson is eligible for re-election.

46-B. Chairperson, Deputy Chairperson or Councillor to obtain permission to undertake trip to foreign country. — No person holding the office of Chairperson, Deputy Chairperson or Councillor shall undertake any trip to any foreign country in his official capacity as such, except with the permission of the Government.”.

25. After section 49 of the principal Act, the following sections shall be inserted, namely:—

Insertion of new sections 49-A to 49-H.

“49-A. Constitution of standing committees.— (1) There shall be constituted by the Government, by notification, such numbers of standing committees, not exceeding six, as may be specified in the notification for the purpose of exercising such powers and discharging such duties or performing such functions as the council may delegate to them.

(2) The composition of standing committee, method of appointment of Chairman and term of office of members and Chairman of the standing committees shall be such as may be prescribed.

49-B. Delegation of powers to Commissioner by standing committee.— (1) In any case in which it is provided by this Act that the Commissioner may take action subject to the approval, sanction, consent or concurrence of a standing committee, such standing committee may, by resolution in writing, authorise him to take action in anticipation of its approval, sanction, consent or concurrence, subject to such conditions, as may be specified in such resolution.

(2) Whenever the Commissioner, in pursuance of such resolution takes any action in anticipation of the approval, sanction, consent or concurrence of a standing committee, he shall inform such standing committee of the fact in its next meeting.”.

49-C. Constitution of Ward Sabha.— (1) There shall be constituted by the council, a Ward Sabha for each ward within the municipal area.

(2) Each Ward Sabha shall consist of the Councillor of the municipality representing the ward and as many number of nominated members as may be prescribed, from among the persons registered in the electoral rolls of the ward and nominated by the council.

(3) The number of, qualification for, the nominated members and the procedure of nomination shall be such as may be prescribed.

49-D. Term of office of Chairman of Ward Sabha.— (1) The Councillor representing the ward in the municipality shall be the Chairman of that Sabha.

(2) The Chairman shall vacate the office as soon as he ceases to be a Councillor.

49-E. Functions and duties of Ward Sabha.— (1) The functions and duties of the Ward Sabha, and the procedure to be adopted by such Sabha for transaction of its business shall be such as may be prescribed.

(2) The duration of the Ward Sabha shall be co-extensive with the duration of the council.

49-F. Constitution of Area Sabha.— (1) There shall be constituted by the council, an Area Sabha for each area in a ward in the municipal area.

(2) Each ward shall consist of such number of Area Sabhas not exceeding ten, as may be prescribed.

(3) An Area Sabha shall comprise of the entire geographical territory in which all the persons registered in the electoral rolls pertaining to one or more polling booths in such territory are ordinarily resident.

(4) Each Area Sabha shall consist of the elected Councillor of the ward and all the persons registered in the electoral rolls of the area.

49-G. Term of office of Chairman of Area Sabha.— (1) The Councillor of the Ward shall be the Chairman and convener of the Area Sabha.

(2) The duration of the Area Sabha shall be co-terminus with the duration of the council.

49-H. Functions and duties of Area Sabha.— The functions and duties of the Area Sabha, and the procedure to be adopted for transaction of its business shall be such as may be prescribed.”.

Amendment of section 50.

26. In section 50 of the principal Act, in sub-section (1), in clause (ii), for the expression “from the Chairperson”, the expression “from the Chairperson or the Commissioner” shall be substituted.

Substitution of section 51.

27. For section 51 of the principal Act, the following section shall be substituted, namely:—

“51. Motion of no-confidence in Chairperson or Deputy Chairperson.— (1) Subject to the provisions of this section, a motion expressing want of confidence in the Chairperson or Deputy Chairperson may be made in accordance with the procedure laid down herein.

(2) Written notice of intention to make the motion, in such form as may be specified by the Government, signed by such number of Councillors as shall constitute not less than three-fifth of the sanctioned strength of the Council together with a copy of the motion which is proposed to be made, shall be delivered in person to the Commissioner by any two of the Councillors signing the notice.

(3) The Commissioner shall then convene a meeting for the consideration of the motion, to be held at the Municipal Office, at a time appointed by him which shall not be later than thirty days from the date on which the notice under sub-section (2) is delivered to him. He shall give to the Councillors, notice of not less than fifteen clear days of such meeting and of the time appointed therefor.

(4) The Commissioner shall preside at the meeting convened under this section, and no other person shall preside thereat. If within half an hour after the time appointed for the meeting, the Commissioner is not present to preside at the meeting, the meeting shall stand adjourned to a time to be appointed and notified to the Councillors by the Commissioner under sub-section (5).

(5) If the Commissioner is unable to preside at the meeting, he may after recording his reasons in writing, adjourn the meeting to such other time as he may appoint. The date so appointed shall not be later than thirty days from the date appointed for the meeting under sub-section (3). Notice of not less than seven clear days shall be given to the Councillors of the time appointed for the adjourned meeting.

(6) Save as provided in sub-sections (4) and (5), a meeting convened for the purpose of considering a motion under this section shall not for any reason be adjourned.

(7) As soon as the meeting convened under this section has commenced, the Commissioner shall read to the council, the motion for the consideration of which it has been convened and declare it to be open for debate.

(8) No debate on any motion under this section shall be adjourned.

(9) Such debate shall automatically terminate on the expiry of two hours from the time appointed for the commencement of the meeting, if it is not concluded earlier. Upon the conclusion of the debate or upon the expiry of the said period of two hours, as the case may be, the motion shall be put to vote of the council.

(10) The Commissioner shall not speak on the merits of the motion, nor shall be entitled to vote thereon.

(11) A copy of the minutes of the meeting together with a copy of the motion and the result of the voting thereon shall forthwith on the termination of the meeting be forwarded by the Commissioner to the Government.

(12) If the motion is carried out with the support of not less than four-fifths of the sanctioned strength of the council, the Government shall, by notification, remove the Chairperson or the Deputy Chairperson, as the case may be.

(13) If the motion is not carried out by such a majority as aforesaid, or if the meeting cannot be held for want of a quorum, no notice of any subsequent motion expressing want of confidence in the same Chairperson or the Deputy Chairperson shall be received until after the expiry of one year from the date of the meeting.

(14) No notice of a motion under this section shall be received,—

(i) within one year of the assumption of office by the Chairperson or Deputy Chairperson; or

(ii) during the last year of the term of office of the Chairperson or the Deputy Chairperson.”.

28. For section 52 of the principal Act, the following section shall be substituted, namely:—

Substitution of section 52.

“52. Government to remove Councillor or Deputy Chairperson or Chairperson.—

(1) The Government may, by notification, remove any councillor, Deputy Chairperson or Chairperson, who in their opinion, wilfully omits or refuses to carry out or disobeys the provisions of this Act or any rules, bye-laws, regulations or lawful orders issued thereunder or abuses the powers vested in him.

- (2) The Government shall, when they propose to take action under sub-section (1), give the councillor, Deputy Chairperson or Chairperson concerned an opportunity for explanation, and the notification issued under the said sub-section shall contain a statement of the reasons of the Government for the action taken.
- (3) Any person removed under sub-section (1) from the office of councillor, Deputy Chairperson or Chairperson shall not be eligible for election to the said office until the date on which notice of the next ordinary elections to the municipal council is published in the prescribed manner, or the expiry of one year from the date specified in such notification, whichever is later."
- Amendment of section 54. 29. In section 54, in sub-section (1), for the expression "District Collector concerned or a senior officer of the Indian Administrative Service", the expression "the Commissioner or any other officer" shall be substituted.
- Amendment of section 55. 30. In section 55 of the principal Act, to sub-section (1), after the proviso, the following proviso shall be added, namely:—
"Provided further that in relation to a municipal council or a town panchayat, the power of the Government under this section shall be exercised by the Director."
- Insertion of new section 55-A. 31. After section 55 of the principal Act, the following section shall be inserted, namely:—
"55-A. Adjudication of disputes between local authorities.— (1) When a dispute exists between a council and one or more than one, other local authority in regard to any matters arising under the provisions of this or any other Act and the Government are of the opinion that the local authorities concerned are unable to settle it amicably among themselves, the Government may take cognizance of the dispute, and—
(a) decide it on its own volition; or
(b) refer it for inquiry and report to a joint committee constituted under section 41 for the purpose.
(2) The report referred to in clause (b) of sub-section (1) shall be submitted to the Government who shall decide the dispute in such manner as they may deem fit.
(3) Any decision given, whether before or after this sub-section comes into force, under clause (a) of sub-section (1) or under sub-section (2) may, at the instance of the local authorities concerned, be modified from time to time by the Government in such manner as they deem fit, and any such decision with the modifications, if any, made therein under this sub-section, may, at the instance of local authorities be cancelled at any time by the Government. Any such decision or any modification therein or cancellation thereof shall be binding on each of the local authorities concerned and shall not be liable to be questioned in any Court of Law.
(4) The powers of the Government under this section shall, where one of the local authorities concerned is a cantonment authority or the port authority of a major port, only be exercisable with the concurrence of the Central Government."
- Amendment of section 57. 32. In section 57 of the principal Act, sub-section (5) shall be omitted.
- Amendment of section 61. 33. In section 61 of the principal Act, in sub-section (1),—
(1) for the expression "The Director", the expression "The Director in respect of town panchayats and municipal councils and the Government in respect of municipal corporations" shall be substituted;
(2) the proviso shall be omitted.
- Amendment of section 62. 34. In section 62 of the principal Act, for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) (a) All monies received by way of taxes, fees and other charges, devolution funds, grants including those arising out of the recommendations of the Finance Commissions by a municipality shall constitute a fund which shall be called the “Municipal Fund” and shall be applied, and disposed of, in accordance with the provisions of this Act and the rules made thereunder;

(b) All monies received by way of loans, advances, contributions and grants received for schemes or special schemes by a municipality which are earmarked towards any projects or works shall be maintained separately.”.

35. In section 66 of the principal Act, in sub-section (1), the following expression shall be added at the end, namely:—

“subject to the revenue generation of the project, financial viability and repayment capacity of the municipality.”.

36. Section 71 of the principal Act, shall be renumbered as sub-section (1) of that section and after sub-section (1) as so renumbered, the following sub-sections shall be added, namely:—

“(2) The Budget documents after approval shall be uploaded in designated websites or portals with the digital signature of the executive authority. The allotment made on the Budget shall lapse at the end of the year and the surplus shall not be transferred to Deposits or keeping outside the account or resort to other appropriation of any kind.

(3) Without the prior approval of the Director, the council of the municipality shall not approve any expenditure exceeding the budget allocations, or exceeding the revenue of the municipality.”.

37. In section 73 of the principal Act, after clause (ii), the following clause shall be added, namely:—

“(iii) any property given in trust may be utilized with the approval of the Government, for the objects other than the object for which it was created, if the object of that trust has become impossible or impracticable.”.

38. In section 74 of the principal Act, in sub-section (1), for the expression “the Land Acquisition Act, 1894 (Central Act I of 1894)”, the expression “the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (Central Act 30 of 2013) or any other State law” shall be substituted.

39. After section 75 of the principal Act, the following section shall be inserted, namely:—

“75-A. Establishment of commercial projects.— The council may, with the approval of the Government, either on its own or through public or private participation mode, undertake the planning, construction, operation, maintenance or management of commercial infrastructure projects, including district centres, community and neighbourhood shopping centres, industrial estates, bus or truck terminals and tourist lodges with commercial complexes or any other type of commercial or community project.”.

40. In section 76 of the principal Act, for the expression “and such monetary limit shall not exceed five crore of rupees” shall be omitted.

41. In section 78 of the principal Act, —

(1) in sub-section (2), for the proviso, the following proviso shall be substituted, namely:—

“Provided that where any municipal land or building is required by the Central or State Government or any Central or State Public Sector Undertaking for any public purpose, the council may permit the sale or lease of such land or building.”;

(2) in sub-section (3),--

(a) for the expression "licence", occurring in two places, the expression "licence or lease" shall be substituted;

(b) for the expression "payment of fee", the expression "payment of fee or rent, as the case may be" shall be substituted.

Amendment of section 80.

42. In section 80 of the principal Act, in sub-section (1), for item (e), the following item shall be substituted, namely:—

"(e) Company tax."

Amendment of section 81.

43. In section 81 of the principal Act, —

(1) after sub-section (1), the following sub-section shall be inserted, namely:—

"(1-A) The taxes shall be levied at such percentage of the annual value of the building and land which is occupied by, or adjacent and appurtenant to, the building or both as may be fixed by the council based on the floor rates fixed by the Government";

(2) after sub-section (3), the following sub-section shall be added, namely: —

"(4) The council shall not, reduce the rate at which the property tax or any class of such tax is levied or abolish such tax except with the previous sanction of the Government."

Amendment of section 82.

44. In section 82 of the principal Act,—

(1) in sub-section (1), for the expression "buildings and lands", the expression "lands, buildings, telecommunication towers and storage structures built on, or attached to, land" shall be substituted;

(2) in sub-section (6), for the expression "rupees two hundred and fifty", the expression "two thousand rupees" shall be substituted.

Substitution of sections 83, 84, and 85.

45. For sections 83, 84 and 85 of the principal Act, the following sections shall be substituted, namely:—

"83. Method of assessment and calculation of property tax.— (1) Every building shall be assessed together with its site and other adjacent premises occupied as an appurtenance thereto unless the owner of the building is a different person from the owner of such site or premises.

(2) The annual value of land and building shall be deemed to be the gross annual rent at which they may reasonably be expected to be let from month to month or from year to year less a deduction in the case of building, of ten per cent of that portion of such annual rent which is attributable to the building alone, apart from their sites and adjacent lands occupied as an appurtenance thereto; and the said deduction shall be in lieu of all allowances for repairs or on any other account whatever:

Provided that-

(a) in the case of any building of a class not ordinarily let, the gross annual rent of which cannot, in the opinion of the Commissioner, be estimated, the annual value of the premises shall be deemed to be six per cent of the total of the estimated value of the land and the estimated present cost of erecting the building after deduction for depreciation a reasonable amount which shall in no case be less than ten per cent of such cost ;

(b) in the case of any building in any industrial estate wherein essential amenities including water supply, drainage and lighting are not provided by the municipality but provided by the Industries department of the Government, the annual value of such building shall be deemed to be four per cent of its capital value:

Provided that, if any question arises whether for the purposes of this clause, essential amenities are provided by the Industries department or other authority, it shall be decided by such authority as may be prescribed.

Explanation.- For the purpose of this clause, 'industrial estate' means any area selected and developed by the Government or developed by any other authority under the control of the Government, wherein any industry or a class of industry are accommodated; and

(c) machinery and furniture shall be excluded from valuations under this section.

(3) The Government shall have power to make rules regarding the manner in which, the person or persons by whom and the intervals at which, the value of the land, the present cost of erecting the building and the amount to be deducted for depreciation, shall be estimated or revised, in any case or class of cases to which clause (a) or clause (b) of the proviso to sub-section (2) applies, and they may, by such rules, restrict or modify the application of the provisions to such case or class of cases.

(4) The property tax calculated in pursuance of this section shall be payable for every half-year and shall be paid by the owner or occupier within the half-year period.

Explanation.— For the purpose of this sub-section, the expression "half-year" shall be from the 1st day of April to the 30th day of September and from the 1st day of October to the 31st day of March of a year.

(5) The Commissioner shall issue a property tax book containing all the details of the building or land and the property tax payable in relation to such building or land in such form as may be prescribed.

(6) (a) The council shall, in the case of lands which are not used exclusively for agricultural purposes and are not occupied by, or adjacent and appurtenant to, buildings, levy property tax on such lands at such rate as it may fix, having regard to its location and subject to the minimum and maximum rates per square feet as may be prescribed by the Government.

(b) Where there is any land with building situated within the municipal limit, and if the extent of the land left vacant is twice the plinth area of the building, the Commissioner shall determine the property tax on the vacant land which exceeds twice the plinth area of the building at the rate fixed by the council.

84. Incentive and penalty for payment of property tax.— (1) Five per cent of the net property tax payable by an assessee, subject to a maximum of five thousand rupees shall be granted as an incentive, who has paid the property tax within thirty days from the date of commencement of the half-year.

(2) After the completion of a half-year, if any property tax remains unpaid, the assessee shall pay, in addition to the amount due, interest at such rate not exceeding one per cent simple interest per month, as may be prescribed.

(3) Where the arrears amount are due to the municipality consequent on the orders delivered by the Taxation Appeal Committee or any court in the appeal preferred by the assessee, the assessee shall pay the said amount with one per cent simple interest per month from the due date of payment of the said amount, within thirty days from the date of delivery of the order."

46. After section 86 of the principal Act, the following section shall be inserted, Insertion of new section 86-A.

"86-A. Enhancement of property tax.— The council shall, by resolution, enhance the property tax at such rate within the minimum and maximum rates, as may be notified by the Government, from time to time."

47. In section 87 of the principal Act,— Amendment of section 87.

(1) for clause (c), the following clause shall be substituted, namely:—

“(c) buildings used for educational purpose including hostels and libraries, run by the Central or State Government or municipality or institution aided by the Government as approved by the council:

Provided that the buildings used for educational purpose by the Government aided institutions for conducting self-financing courses shall be subject to levy of property tax.”.

(2) for clause (e), the following clause shall be substituted, namely:--

“(e) charitable hospitals and dispensaries, subject to the guidelines as may be prescribed by the Government in this behalf, but not including residential quarters attached thereto;”.

Insertion of new section 91-A.

48. After section 91 of the principal Act, the following section shall be inserted, namely:—

“91-A. Levy and collection of company tax.— The council may levy company tax at a rate not exceeding ten thousand rupees per half-year, as the council may determine and collect such tax in such manner as may be prescribed.”.

Omission of sections 92, 93 and 94.

49. Sections 92, 93 and 94 of the principal Act shall be omitted.

Amendment of section 98.

50. In section 98 of the principal Act, in sub-section (1) for the expression “six months”, the expression “two years” shall be substituted;

Amendment of section 100.

51. In section 100 of the principal Act,—

(1) in sub-section (1),—

(a) in clause (ii), for the expression “municipality”, the expression “municipal council” shall be substituted;

(b) after clause (ii), the following clause shall be inserted, namely:—

“(iii) for every municipal corporation, consisting of the Chairperson of the council who shall also be the Chairman of the Taxation Appeals Committee and nine Councillors elected by the council with nine officials as may be notified by the Government.”;

(c) in the proviso, for the expression “or the municipality”, the expression “the municipal council or the municipal corporation” shall be substituted;

(2) to sub-section (3), the following provisos shall be added, namely:—

“Provided that on and from the date of commencement of the Tamil Nadu Urban Local Bodies (Amendment) Act, 2022, all matters and proceedings pending before the Taxation Appeals Tribunal constituted under the Chennai City Municipal Corporation Act, 1919 (Tamil Nadu IV of 1919) on the said date, shall stand transferred to the Chennai City Civil Court or the Principal District Judge having jurisdiction over the area of the Chennai City Municipal Corporation and Chennai city civil court or the Principal District Judge shall proceed to deal with such matter or proceeding from the stage at which it is transferred or from any earlier stage or de novo as the Chennai City Civil Court or the Principal District Judge may deem fit:

Provided further that an interim or interlocutory order granted by the Taxation Appeals Tribunal shall continue to be in operation unless the Chennai City Civil Court or the Principal District Judge by an order varies or modifies the same.”;

(3) in sub-section (4), for the expression “town panchayat or municipality”, occurring in two places, the expression “town panchayat, municipal council or municipal corporation” shall be substituted.

Omission of section 101.

52. Section 101 of the principal Act shall be omitted.

53. In section 102 of the principal Act, for sub-section (3), the following sub-section and Explanation shall be substituted, namely:— Amendment of section 102.

“(3) On receipt of such application, the Commissioner shall, if the application is in order, grant licence:

Provided that the Commissioner may inspect the place in which the trade or business is to be carried, if considered necessary:

Provided further that no application for grant of licence shall be refused without giving a reasonable opportunity of being heard:

Provided also that if the application is not disposed of within a period of sixty days from the date of its receipt, the licence applied therein shall be deemed to have been granted on expiry of the said period.

Explanation.— For the purpose of this Chapter, the expression ‘trade or business’ shall mean any category of shop, establishment, factory or industry, as may be notified by the Government, from time to time.”.

54. After section 102 of the principal Act as so amended, the following section shall be inserted, namely:— Insertion of new section 102-A.

“**102-A. Power to carry out randomised inspection.**— The Commissioner may carry out a randomised inspection of any trade or business for which licence has been granted under this Chapter in such manner as may be prescribed.”.

55. In section 107 of the principal Act, in sub-section (2), for the expression “destroyed”, the expression “removed” shall be substituted. Amendment of section 107.

56. After section 108 of the principal Act, the following section shall be inserted, namely:— Insertion of new section 108-A.

“**108-A. Grant of licence for spa and massage parlours.**— (1) No place shall be used as a spa and massage parlour within the municipal limit without a licence granted by the Commissioner.

(2) Any person desirous to carry on spa and massage parlour shall apply to the Commissioner for obtaining licence in such Form, in such manner and on payment of such fee, as may be prescribed.

(3) On receipt of an application under sub-section (2), the Commissioner may, by order, after holding such inquiry as he deems fit, grant the licence or, for reasons to be recorded in writing, refuse to grant the licence after giving a reasonable opportunity of being heard. Such licence may be renewed for a period not exceeding the period for which it was granted.”.

57. Section 114 of the principal Act shall be renumbered as sub-section (1) of that section and after sub-section (1) as so renumbered, the following sub-section shall be added, namely:— Amendment of section 114.

“(2) In case the licensee continues to violate the conditions of licence, or disobeys the order passed under sub-section (1), the Commissioner may cause the premises of the business to be locked and sealed and also initiate criminal action therefor.”.

58. After section 114 of the principal Act, the following section shall be inserted, namely:— Insertion of new section 114-A.

“**114-A. Consequences of failure to obtain licences, etc., or of breach of the same.**— If under this Act, or any rule, bye-law or regulation made thereunder, licence or permission is necessary for doing of any act and if such act is done without such licence or permission or in a manner inconsistent with the terms of any such licence or permission then, save as otherwise provided for in this Act,—

(a) the Commissioner may, by notice, require the person so doing such act to alter, remove or as far as practicable, restore to its original state, the whole or any part of any property, movable or immovable, public or private affected thereby within a time to be specified in the notice;

(b) the Commissioner or any officer duly authorized by him may also enter into or on any building or land where such act is done and take all such steps as may be necessary to prevent the continuance of such act; and

(c) the person doing such act shall be liable on conviction before a Judicial Magistrate to a fine not exceeding twenty-five thousand rupees for every such offence.”.

Insertion of new section 116-A.

59. After section 116 of the principal Act, the following section shall be inserted, namely:--

“**116-A. Recovery of Taxes.**— (1) If the amount due on account of any tax is not paid within fifteen days from the date of the service of notice and if the person from whom the tax is due has not shown cause to the satisfaction of the Commissioner why it should not be paid, the Commissioner may, by following such procedure as may be prescribed, recover by distraint under his warrant and sale of the movable and immovable property of the defaulter or if the defaulter is the occupier of any building or land in respect of which a tax is due, by distress and sale of any movable property which may be found in or on such building or land, the amount due on account of the tax together with such further sums as will satisfy the probable charges that will be incurred in connection with the detention and sale of the property so distrained:

Provided that the movable property described in the proviso to sub-section (1) of section 60 of the Code of Civil Procedure, 1908 (Central Act V of 1908), shall not be liable to distraint.

(2) If for any reason the distraint, or sufficient distraint, of the defaulter's property is impracticable, the Commissioner may prosecute the defaulter before a Judicial Magistrate.

(3) Nothing herein contained shall preclude the Municipality from suing in a civil court for the recovery of any tax, duty or other amount due to it under this Act.”.

Amendment of section 117-B.

60. In section 117-B of the principal Act,—

(1) for sub-section (2) including the Table thereunder, the following sub-section shall be substituted, namely:—

“(2) Each branch or unit of a company, Hindu undivided family, firm, corporation or other corporate body, society, club, body of persons or associations which transacts business and every person who is engaged actively or otherwise in any profession, trade, calling or employment within the municipal area on the first day of the half year for which return is filed, shall pay half yearly tax at the rates specified in such manner as may be prescribed:

Provided that such rate of tax per employee shall not exceed two thousand five hundred rupees per annum.”;

(2) in sub-section (4),—

(a) for the expression “Where a company or person”, the expression “Where a branch or unit of a company, Hindu undivided family, firm, corporation or other corporate body, society, club, body of persons or association of persons” shall be substituted;

(b) for the expression “such company or person”, the expression “such a branch or unit of a company, Hindu undivided family, firm, corporation or other corporate body, society, club, body of persons or association of persons” shall be substituted;

(3) sub-section (6) shall be omitted.

Amendment of section 117-H.

61. In section 117-H of the principal Act, for clause (c) including the proviso thereunder, the following clause shall be substituted, namely: —

“(c) persons with benchmark disability, as defined in clause (r) of section 2 of the Rights of Persons with Disabilities Act, 2016 (Central Act 49 of 2016).”.

62. After Chapter VI-A of the principal Act, the following Chapter shall be inserted, namely:— Insertion of new Chapter VI-B.

“Chapter VI-B.

Regulation of hoardings, digital banners and placards.

117-K. Definitions.— In this Chapter,—

(a) “digital banner” means any screen of boards, at any place, whether public or private used or intended to be used for exhibiting any advertisement or any information in connection with marriage, religious ceremony, birth or death anniversary or meeting or conference of any political, religious or communal organization, promotion of business, designed and printed using electronic printing technology;

(b) “hoarding” means any screen of boards or any other structure other than digital banner and placard, at any place, whether public or private used or intended to be used for exhibiting advertisement, including the frame work or other support, erected, wholly or in part upon or over any land, building, wall or structure, or vehicle visible to public wholly or partly;

(c) “placard” means any screen of boards, the size of which is not exceeding eight feet in height and four feet in breadth, at any place, whether public or private, used or intended to be used for exhibiting any advertisement or any information in connection with marriage, religious ceremony, birth or death anniversary or meeting or conference of any political, religious or communal organization, promotion of business, designed and printed using electronic printing technology.

117-L. Regulation of erection of hoardings.— (1) No hoarding shall be erected at any place by any person without obtaining a licence from the Commissioner.

(2) Every application for licence under sub-section (1) shall be made to the Commissioner in such Form, containing such particulars, with such application fee, as may be prescribed.

(3) The Commissioner may, after local inspection and on payment of such licence fee not exceeding twenty thousand rupees per square metre per year as may be prescribed, grant a licence with such conditions as may be prescribed.

(4) The Commissioner may refuse to grant licence for reasons to be recorded in writing:

Provided that a licence shall not be refused unless the applicant has been given an opportunity for making his representation.

(5) Every licence granted under sub-section (3) shall be valid for a period of three years and may be renewed.

(6) The fee paid under sub-sections (2) and (3) shall be credited to the account of the municipality concerned, in such manner as may be prescribed.

117-M. Regulation of erection of digital banners and placards.— (1) No digital banner or placard for exhibiting any advertisement or information shall be erected by any person without obtaining prior permission from the Commissioner.

(2) Every application for permission under sub-section (1), shall be made in writing, to the Commissioner fifteen days prior to the date of erection of digital banner or placard in such Form, containing such particulars with such fee, not exceeding ten thousand rupees per placard or digital banner as may be prescribed.

(3) The permission for erection of digital banner or placard may be granted for such purpose and for such period, not exceeding six days and subject to such conditions as may be specified by the Commissioner.

(4) The Commissioner may refuse to grant permission for reasons to be recorded in writing.

(5) Every person who has erected the digital banner or placard after obtaining the permission, shall, on expiry of such permission, remove the same and dispose it, without causing any hazard to health or environment, in such manner as may be prescribed.

117-N. Power to suspend or cancel licence.— (1) Without prejudice to any other penalty to which the licensee may be liable under this Chapter, the Commissioner may, at any time, by order in writing, cancel or suspend any licence granted or renewed under section 117-L, if—

(a) such licence has been obtained by fraud, misrepresentation or suppression of material particulars; or

(b) the licensee has contravened any of the provisions of this Chapter or the rules made thereunder or any of the condition, subject to which the licence was granted.

(2) Before canceling a licence under sub-section (1), the Commissioner shall give the licensee, an opportunity of making his representation.

117-O. Removal of unauthorized hoarding, digital banner or placard.— Any hoarding erected without licence or any digital banner or placard erected without permission, shall be confiscated and removed by the Commissioner without giving any notice and recover the cost of removal from the person who has erected the unauthorized hoarding, digital banner or placard, as an arrear of land revenue.

117-P. Removal of hoarding, digital banner or placard in certain other cases.— (1) Where any hoarding or digital banner or placard is retained after the expiry of the licence or the period of permission, as the case may be, or erected contrary to the conditions of the licence or the permission, as the case may be, the Commissioner may, by notice in writing, require the licensee or the permit holder to remove such hoarding or digital banner or placard within such time as may be prescribed.

(2) Where the hoarding or digital banner or placard is not removed within the time specified in the notice, the Commissioner shall, without further notice, remove the same and recover the cost of removal from the person concerned as an arrear of land revenue.

117-Q. Exemption.— Nothing contained in this Chapter shall apply to any hoarding, digital banner or placard on which is exhibited any advertisement which relates to,—

(a) the trade or business carried on within the land or building upon or over which such hoarding, digital banner or placard is erected or to any sale or letting of such land or building or any effects therein or to any sale, entertainment or meeting to be held upon or in such land or building;

(b) the name of the land or building, upon or over which the hoarding, digital banner or placard is erected or to the name of the owner or occupier of such land or building;

Provided that the exemption under this section shall be subject to such size and nature of the hoarding, digital banner or placard, as may be prescribed.

117-R. Appeal.— (1) An appeal shall lie to such authority as may be notified by the Government, from an order of refusal to grant or renew a licence or cancelling or refusing to give permission by the Commissioner under this Chapter within thirty days from the date of receipt of the order.

(2) The appeal shall be in such Form and in such manner and shall be accompanied with such fee, as may be prescribed.

(3) On receipt of such appeal, the appellate authority may, after making such inquiry as may be necessary and giving a reasonable opportunity to the appellant to be heard, pass such order as it deems fit.

117-S. Power to grant rights to advertise in properties vested with the municipality: —

Subject to the provisions of the Tamil Nadu Open Places (Prevention of Disfigurement) Act, 1959 (Tamil Nadu Act 2 of 1959) or any other law for the time being in force, the Commissioner may grant rights to any person or a class of persons or any institution or organization to display advertisement on properties belonging to, or vested with, the municipality on payment of fee as may be prescribed:

Provided that in the case of a private partner in Public Private Partnership projects, the fee shall be adjusted against the cost incurred by the private partner.

117-T. Prohibition of erection of certain hoardings, digital banners or placards.— Notwithstanding anything contained in this Act or in any other law for the time being in force or in any judgment, decree or order of any court, tribunal or other authority,—

(a) (i) where any hoarding (other than traffic sign and road sign) visible to the traffic on the road is hazardous and disturbance to the safe traffic movement, so as to adversely affect free and safe flow of traffic and which is in existence, the Commissioner shall by notice in writing, require the licensee or any person in possession, of such hoarding, to remove such hoarding within such time as may be specified in the notice:

Provided that such time shall not be less than fifteen days from the date of issue of such notice;

(ii) where the hoarding referred to in sub-clause (i) is not removed within the time specified in the notice, the Commissioner shall, without further notice, remove such hoarding and recover the cost of removal from the person concerned as an arrear of land revenue;

(b) (i) where the Commissioner is satisfied that the erection of any hoarding or the erection of digital banner or placard (other than traffic sign and road sign) visible to the traffic on the road is hazardous and disturbance to the safe traffic movement so as to adversely affect free and safe flow of traffic, he shall not grant any licence or permission under section 117-L or 117-M, as the case may be;

(ii) where any hoarding, or digital banner or placard is erected in contravention of sub-clause (i), it shall be confiscated and removed by the Commissioner without any notice and recover the cost of removal from the person concerned as an arrear of land revenue.

117-U. Penalty.— Whoever contravenes any of the provisions of this Chapter or any rule or order made thereunder or obstructs lawful exercise of any power conferred by or under this Chapter shall be punished with imprisonment for a term which may extend to three years or with fine which may extend to twenty-five thousand rupees or with both:

Provided that whoever erects any digital banner or placard without the permission of the Commissioner, shall be punished with imprisonment for a term which may extend to one year or with fine which may extend to five thousand rupees or with both.”.

63. In section 120 of the principal Act,—

Amendment of
section 120.

(1) in sub-section (5), after clause (iv), the following clause shall be added, namely:—

“(v) if the promoter or owner of the land does not handover the open space or the space reserved for roads along with the development charges, prescribed.”;

(2) in sub-section (6) including the proviso thereto, for the expression “the council”, occurring in two places, the expression “the Commissioner” shall be substituted;

(3) after sub-section (7), the following sub-section shall be added, namely:—

“(8) If any private street has been levelled, paved, metalled, flagged, channelled, drained, conserved and lighted by the owners, such street shall, on requisition of not less than three-fourth of the owners thereof, be declared as public street.”.

- Amendment of section 121. 64. In section 121 of the principal Act,—
- (1) in sub-section (2), the following expression shall be added at the end, namely:—
- “and recover the cost from the person on whom such notice is served.”;
- (2) after sub-section (2) as so amended, the following sub-section shall be added, namely:—
- “(3) Whoever makes a layout or a new private street without the prior sanction of the Commissioner, shall on conviction be punishable with imprisonment which may extend to one year and with fine which may extend to one lakh rupees and in case of continuing contravention, a further such sum which shall not exceed one thousand rupees per day during which such contravention continues.”.
- Amendment of section 125. 65. In section 125 of the principal Act, in sub-section (3), for the expression “the Land Acquisition Act, 1894 (Central Act I of 1894)”, the expression “the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (Central Act 30 of 2013) or any other State Law” shall be substituted.
- Insertion of new section 127-A. 66. After section 127 of the principal Act, the following section shall be inserted, namely:—
- “127-A. Promotion of urban forestry, planting of trees, parks and playgrounds.—** The Municipality shall take necessary steps for the promotion of urban forestry, planting of trees, creation of public parks, gardens and indoor and outdoor playgrounds for children and youth.”.
- Amendment of section 128. 67. In section 128 of the principal Act,—
- (1) in sub-section (1), in clauses (a) and (b), for the expression “land belonging to the municipality or the departments of the Central or State Governments”, the expression “land belonging to or vested with the municipality” shall be substituted;
- (2) in sub-section (2),—
- (a) for the expression “land belonging to the municipality or the departments of the Central or State Governments”, the expression “land belonging to or vested with the municipality” shall be substituted;
- (b) for the expression “twenty thousand rupees”, the expression “fifty thousand rupees” shall be substituted.
- Omission of section 131. 68. In section 131 of the principal Act shall be omitted
- Amendment of section 133. 69. In section 133 of the principal Act,—
- (1) in the marginal heading and in sub-sections (2) and (4), for the expression “reconstruct”, the expression “reconstruct or demolish” shall be substituted;
- (2) in sub-section (5), for the expression “construction or reconstruction”, the expression “construction, reconstruction or demolition” shall be substituted.
- Amendment of section 134. 70. In section 134 of the principal Act, for the expression “ten thousand rupees”, the expression “one lakh rupees” shall be substituted.
- Amendment of section 135. 71. In section 135 of the principal Act, in sub-section (6), for the expression “Commissioner may”, the expression “Commissioner may lock and seal the building or” shall be substituted.
- Substitution of section 137. 72. For section 137 of the principal Act, the following section shall be substituted, namely:—

“137. Clearing of fallen trees, structures, building material, etc., in street.— If any obstruction is caused in any street by the fall of trees, structures or fences or by stacking of building material, the owner or occupier of the building concerned shall, within twelve hours of the occurrence of such obstruction or within such further period as the Commissioner may by notice allow, clear the street of such obstruction. If the owner or the occupier of the building fails to comply with the notice, the Commissioner shall clear the street of such obstruction and recover the cost of removal from the owner or the occupier as an arrear of land revenue. The Commissioner may also impose a fine not exceeding two thousand rupees for having caused such obstruction in the street.

73. After section 137 of the principal Act, the following sections shall be inserted, namely:—

Insertion of new sections 137-A and 137-B.

“137-A. Permission to construct swimming pool.— (1) No swimming pool shall be constructed in any place, without obtaining permission from the Commissioner.

(2) Every application for permission to construct a swimming pool shall be made to the Commissioner and shall be accompanied by such fee not exceeding rupees twenty-five thousand and such particulars as may be prescribed.

(3) On receipt of an application under sub-section (2), the Commissioner may, after making such enquiry as he deems necessary, either grant or refuse to grant the permission. Every permission granted shall be in such form and subject to such terms and conditions, as may be prescribed.

(4) Where the Commissioner refuses to grant permission under sub-section (3), he shall give reasons in writing for such refusal.

(5) Every owner or occupier of a building or land in which a swimming pool is located, shall maintain the swimming pool in such manner and follow such safety norms, as may be prescribed.

(6) Any person authorized by the Government in this behalf may, subject to the provisions of section 190, enter into any building or land in which a swimming pool is located, in order to make an enquiry or inspection and may take any measure or do anything which may, in his opinion, be necessary for the purpose of maintenance of the swimming pool or for the safety of the persons using the swimming pool:

Provided that the Government shall authorize, for the purpose of this sub-section, any officer,—

(i) not below the rank of Joint Director in the Directorate of School Education, in respect of swimming pools located in the premises of schools;

(ii) not below the rank of Joint Director of the Directorate of Collegiate Education, in respect of swimming pools located in the premises of colleges and Universities:

Provided further that the Government may authorise different persons for different classes of buildings or land in which swimming pools are located.”.

137-B. Provision of Rain Water Harvesting Structure.— (1) In every building owned or occupied by the Government or a statutory body or a company or an institution owned or controlled by the Government, rain water harvesting structure shall be provided by the Government or by such statutory body or company or other institution, as the case may be, in such manner as may be prescribed.

(2) Every owner or occupier of a building shall provide rain water harvesting structure in the building in such manner as may be prescribed.

Explanation.-- Where a building is owned or occupied by more than one person, every such person shall be liable under this sub-section.

(3) Where the rain water harvesting structure is not provided as required under sub-section (2), the Commissioner or any person authorised by him in this behalf may, after giving notice to the owner or occupier of the building, cause rain water harvesting structure to be provided in such building and recover the cost of such provision along with the incidental expense thereof in the same manner as property tax.

(4) Notwithstanding any action taken under sub-section (3), where the owner or occupier of the building fails to provide the rain water harvesting structure in the building, the water supply connection provided to such building shall be disconnected till rain water harvesting structure is provided.”.

Amendment of section 141.

74. In section 141 of the principal Act, for the expression “the Government”, the expression “the District Collector” shall be substituted.

Amendment of section 144.

75. In section 144 of the principal Act, for the expression “period of one year”, the expression “period of five years” shall be substituted.

Amendment of section 145.

76. In section 145 of the principal Act, in sub-section (2), the following shall be added at the end, namely:—

“and may also lock and seal the building, if deemed necessary.”.

Insertion of new sections 145-A to 145-C.

77. After section 145 of the principal Act, the following sections shall be inserted, namely:—

“145-A. Power to prohibit change of authorized use of Building.— (1) No person shall, without prior permission of the Commissioner or otherwise than in conformity with the conditions of such permission,—

(a) use or permit to be used, for the purpose not originally authorised; or

(b) change or allow the change of use of building, other than that specified in the sanctioned plan.

(2) Without prejudice to any other action that may be taken against any person, whether owner or occupier, for contravention of sub-section (1), the Commissioner may levy on such person such fine, not exceeding one hundred rupees per square metre per month for the area under unauthorized use throughout the period during which such contravention continued.

145-B. Power to prevent use of premises for specified purpose in particular area for environmental reasons.— The municipality or the Government or the District Collector may give notice of its or his intention, to declare that in any area specified therein no person shall, for environmental reasons stated therein, use any premises for any of the purposes specified in that notice.

145-C. Completion certificate.— Every owner of a building within one month after completion of the construction of building shall apply to the competent authority for issue of completion certificate. The authority shall inspect the building and on being satisfied that the construction is as per the sanctioned plan, shall issue completion certificate within one month from the date of application.”.

Amendment of section 151.

78. In section 151 of the principal Act, for the expression “the Collector”, the expression “the District Collector or any other officer” shall be substituted.

Amendment of section 154.

79. In section 154 of the principal Act, to sub-section (2), the following proviso shall be added, namely:—

“Provided that no work beyond the municipal limit shall be undertaken without obtaining the prior approval of the Government.”.

Amendment of section 157.

80. In section 157 of the principal Act,—

(1) for the expression “fees”, wherever it occurs, the expression “charges” shall be substituted;

(2) after sub-section (2), the following sub-section shall be inserted, namely:—

“(2-A) The council shall have the right to revise the charges every year and in case of new water supply scheme, the charges shall be collected or revised based on the expenditure incurred thereto in the manner as may be prescribed.”.

81. In section 159 of the principal Act, after sub-section (2), the following sub-section shall be added, namely:— Amendment of section 159.

“(3) Where there is a sewerage system maintained by the municipality, the council shall fix the charges and security deposit for every house service connection, in accordance with the bye-laws framed for the purpose.”.

82. In section 161 of the principal Act, in sub-section (1), for the expression “drainage”, occurring in two places, the expression “drainage or sewerage” shall be substituted. Amendment of section 161.

83. After section 161 of the principal Act, the following section shall be inserted, namely:— Insertion of new section 161-A.

“161-A. Trespass on premises connected with water supply or sewerage.—

(1) No person shall without permission enter upon any land belonging to, or vested with, the municipality along which a conduit or pipe runs or upon any premises connected with the water supply or sewerage.

(2) Without permission of the council no private building, wall or other structure shall be erected and no private street shall be constructed over any municipal water mains or drainage or sewerage mains.

(3) If any private building, wall or other structure is so erected or any private street is so constructed, the council may cause the same to be removed and recover the expenditure for such removal as an arrear of land revenue.”.

84. After section 164 of the principal Act, the following sections shall be inserted, namely:— Insertion of new sections 164-A and 164-B.

“164-A. Grant of permit to sink well.— (1) No person shall, either himself or through any person on his behalf, engage in sinking any well in any area of the municipality for any purpose without obtaining a permit from the Commissioner:

Provided that this sub-section shall not apply for sinking of well for domestic purpose:

Provided further that this sub-section shall not apply to the “Scheduled area” as defined in clause (g) of section 2 of the Chennai Metropolitan Area Groundwater (Regulation) Act, 1987 (Tamil Nadu Act 27 of 1987).

(2) Any person desiring to sink a well shall apply to the Commissioner, for grant of permit for this purpose and shall not proceed with any activity connected with such sinking of well, unless a permit has been granted by the Commissioner.

(3) Every application for grant of permit shall be made in such form and contain such particulars as may be prescribed, and shall be accompanied by such fee not exceeding ten thousand rupees, as may be prescribed.

(4) On receipt of an application under sub-section (2), the Commissioner may grant, subject to such conditions and restrictions as he may specify, a permit authorising to sink well or refuse to grant such permit:

Provided that no permit shall be refused unless the applicant has been given an opportunity of being heard.

(5) The decision regarding the grant or refusal to grant the permit shall be intimated by the Commissioner to the applicant within such period as may be prescribed.

(6) Any person aggrieved by the decision of the Commissioner under sub-section (5) may, within such period and in such manner as may be prescribed, appeal to such authority as may be specified by the Government, by notification, in this behalf.

(7) The owner of every well in use or disuse shall follow such safety measures, as may be prescribed.

164-B. Grant of certificate of registration to carry on business of sinking well.— (1) Every person desiring to carry on the business of sinking well in any area in the municipality shall apply to the District Collector for grant of a certificate of registration:

Provided that this section shall not apply to the “Scheduled area” as defined in clause (g) of section 2 of the Chennai Metropolitan Area Ground Water (Regulation) Act, 1987 (Tamil Nadu Act 27 of 1987).

(2) Every application for grant of a certificate of registration shall be made in such form and contain such particulars as may be prescribed and shall be accompanied by such fee not exceeding twenty thousand rupees, as may be prescribed.

(3) On receipt of an application under sub-section (1), the District Collector may grant, subject to such conditions and restrictions as may be specified, a certificate of registration or refuse to grant the certificate of registration:

Provided that no certificate of registration shall be refused unless the applicant has been given an opportunity of being heard.

(4) The decision regarding the grant or refusal to grant the certificate of registration shall be intimated by the District Collector to the applicant within such period as may be prescribed.

(5) Any person aggrieved by the decision of the District Collector under sub-section (4) may, within such period and in such manner as may be prescribed, appeal to such authority as may be specified by the Government, by notification, in this behalf.

(6) Every person carrying on the business of sinking well shall, while sinking a well or on completion of sinking a well, follow such safety measures, as may be prescribed.

Explanation.— For the purpose of sections 164, 164-A and 164-B,—

(a) “sink” with all its grammatical variations and cognate expressions includes digging, drilling, boring or deepening;

(b) “well” means a well sunk for search or extraction of groundwater and includes an open well, dug well, bore well, dug-cum-bore well, tube well, filter point, collection well or infiltration gallery, but does not include a well sunk by the Government or Central Government for carrying out scientific investigation, exploration, development or management work for the survey and assessment of groundwater resources;

(c) “person” includes a company or association of individuals, whether incorporated or not.”.

Amendment of section 167.

85. In section 167 of the principal Act, the following expression shall be added at the end, namely:—

“by following the standard operating procedure issued by the Government, from time to time.”.

Amendment of section 170.

86. In section 170 of the principal Act, in sub-section (2), the following expression shall be added at the end, namely:—

“by serving a notice to the owner or occupier. In default, the municipality shall carry out the work and recover the cost from the said owner or occupier as an arrear of land revenue.”.

87. In section 171 of the principal Act, —

Amendment of
section 171.

(1) for the marginal heading, the following marginal heading shall be substituted, namely:—

“Family welfare and small family norm.”.

(2) the expression “population control project” shall be omitted.

88. In section 172 of the principal Act, for the expression “the Council”, the expression “the Commissioner” shall be substituted.

Amendment of
section 172.

89. In section 173 of the principal Act shall be renumbered as sub-section (1) of that section and in sub-section (1) as so renumbered,—

Amendment of
section 173.

(1) in clause (b), for the expression “the Commissioner or a Magistrate”, the expression “the Judicial Magistrate” shall be substituted;

(2) after clause (c), the following clause shall be added, namely:—

“(d) retain a corpse on any premises without cremating, burying or otherwise lawfully disposing off, for more than such period and in such manner, as may be prescribed”;

(3) after sub-section (1), as so amended, the following sub-sections shall be added, namely:—

“(2) If any place whether public or private, used as a crematorium or burial ground is found to endanger public health or if any other place is found to be overcrowded with burials or for any other reason to be recorded, the Commissioner may, with the approval of the council, close such crematorium or burial ground, by a notification in the District Gazette.

(3) Where sufficient modern crematoria are available in a municipality, the council may, by notification, ban open cremation within such municipal limit.”.

90. In section 175 of the principal Act,—

Amendment of
section 175.

(1) for sub-sections (1), (2) and (3), the following sub-sections shall be substituted, namely:—

“(1) It shall be the duty of the council to keep any public place clean, by adopting a system of collection of segregated waste at source, transportation, processing and disposal of solid waste scientifically in a place specifically allotted for this purpose as may be notified by the municipality, either within or outside the municipal limit.

(2) All solid waste, rubbish and other materials collected by the municipality shall be the property of the municipality. The public shall segregate the solid waste at source and store in different containers and dispose the same as prescribed in the rules. The municipality shall provide appropriate facilities for the collection, storage, recycle, process and dispose of segregated solid waste received from various sources.

(3) Where no proper drainage system is provided in the municipal limit or in any part thereof, the municipality may make necessary arrangements to collect, transport and to treat the collected drainage water scientifically and dispose of the same in such manner as may be prescribed.”;

(2) in sub-section (4), the proviso shall be omitted;

(3) in sub-section (5),—

(a) in clause (b), for the expression “compost manure”, the expression “compost manure or bio-gas or electricity or any other product” shall be substituted;

(b) for clause (d), the following clause shall be substituted, namely:—

“(d) incineration, deep burial, autoclave, multiclave, for disposal of biomedical waste generated from the hospitals, nursing homes, health care centres, diagnostic centres, medical laboratories and non-industrial hazardous waste that may be notified by the Government, from time to time.”;

(4) after sub-section (5) as so amended, the following sub-sections shall be added, namely:—

“(6) It shall be the duty of the owners and the occupiers of all land and buildings in the municipality to keep their premises neat and clean.

(7) The bio-medical waste from hospitals, nursing homes, health care centres, clinics and diagnostic laboratories shall not be mixed with municipal solid waste.

(8) The municipality shall establish a separate system for plastic waste management including scientific processing and disposal as may be prescribed.

(9) The municipality shall require the manufacturers or sellers of electrical and electronic materials to establish collection centre or a collection point or both, either individually or jointly, to collect, dispose or recycle the e-waste as may be prescribed.

(10) The municipality shall collect the construction and demolition waste arising out of a new construction, modification and alteration of buildings separately and store in a specified area or process it as per the rules as may be prescribed. The council shall levy fees or charges from every construction and demolition waste generator for collection, transportation, processing and disposal as may be prescribed.

(11) Any premises having insanitary latrines shall be demolished by the municipality and recover the expenditure for such demolition as an arrear of land revenue.

(12) No person shall spit in streets, public buildings or in any other public place.”.

Amendment of section 176.

91. In section 176 of the principal Act,—

(1) for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) The council may implement modern methods for collection, storage, transportation, scientific processing and disposal of solid waste as may be prescribed.”;

(2) after sub-section (2), the following sub-section shall be added, namely:—

“(3) The bulk waste generators shall establish their own processing facility for disposal of solid waste generated from their premises. In default, the council may arrange for handling such waste generated by the bulk waste generators by collecting such fee as may be prescribed.”.

Amendment of section 177.

92. In section 177 of the principal Act,—

(1) in sub-section (2), for items (vi) and (vii), the following items shall be substituted, namely:—

“(vi) as a public resort, or lodging house, or

(vii) as a marriage hall or shopping mall, or

(viii) as a religious place, ”.

(2) after sub-section (3) including the proviso thereto, the following sub-sections shall be added, namely:—

“(4) No person or owner or occupier of any land or building shall litter or deposit solid waste or allow any filth to flow at any public place or open land or otherwise dispose off the carcass other than the place specified therefor.

(5) The municipality shall arrange for disposal of solid waste generated from the religious places where a temple, mosque, church, mutt, or any other place of religious importance, or institution or any place used for religious purpose or fairs, festivals, mass events, exhibitions held within the municipal limit based on the request in writing from the person having control over such places with such charges as may be determined by the council.

(6) The council shall levy user charges from all the waste generators within the limit of municipality for disposal of solid waste.

(7) No person shall commit a nuisance by relieving himself or defecate or urinate in any street or public place.

(8) The Commissioner shall levy spot fine as determined by the council, from time to time, on the defaulters. Such spot fines may be collected by officers, not below the rank of Sanitary Inspector duly authorized by the municipality in this behalf.”.

93. After Chapter X, the following Chapter shall be inserted, namely:—

Insertion of new
Chapter X-A.

**“CHAPTER X-A.
FAECAL SLUDGE AND SEPTAGE.**

179-A. Definitions.— For the purpose of this Chapter,—

(a) “disposal facility” means the arrangement made for the scientific treatment and disposal of faecal sludge and septage, as may be prescribed;

(b) “licencing authority”, in relation to,—

(i) a town panchayat, means the Executive Officer of the town panchayat;

(ii) a municipal council or municipal corporation, means Commissioner of the municipal council or municipal corporation;

(c) “faecal sludge” means raw or partially digested, in a slurry or semi solid form, of combinations of excreta and black water, with or without grey water ;

(d) “licencee” means any person who holds a licence granted under this Chapter;

(e) “septage” means the liquid and solid material, that has accumulated or is contained, in a septic tank or cesspool;

(f) “specified vehicle” means a vacuum truck or such other vehicle equipped with motorised pumps and storage tank of such specification, as may be approved, from time to time, under the Motor Vehicles Act, 1988 (Central Act 59 of 1988), for collecting and transporting faecal sludge and septage;

(g) “worker” means any person engaged by a licensee for collection, transportation and disposal of faecal sludge and septage.

179-B. Licence for collection, transportation of faecal sludge and septage.—

(1) No person shall collect, transport or dispose faecal sludge or septage from any building, whether used for residential or commercial or institutional purposes, within the municipal limits without a valid licence:

Provided that no such licence is necessary for the collection, transportation and disposal of faecal sludge or septage by any local authority or statutory board of the Government.

(2) Any person who intends to collect, transport or dispose faecal sludge or septage shall apply to the licencing authority for grant of licence in such form, containing such particulars, documents and with such fee not exceeding two thousand rupees, as may be prescribed.

(3) Within thirty days from the date of receipt of an application under sub-section (2), the licencing authority may either grant the licence subject to such terms and conditions, as may be prescribed or refuse to grant licence, by recording the reason therefor.

(4) The licence granted under sub-section (3) shall be valid for a period of two years from the date of issue.

(5) Application for renewal of licence shall be made to the licencing authority, thirty days before the date of its expiry, in such Form together with such fee not exceeding two thousand rupees, as may be prescribed.

(6) The time limit and procedure contained in sub-section (3) shall equally apply for renewal of licence.

179-C. Removal of faecal sludge and septage by owner or occupier.— The owner or occupier, as the case may be, of a building or part thereof located within the municipal limits shall,—

(a) ensure construction of the septic tank or such on-site sanitation system conforming to the requirements of the National Building Code, 2016;

(b) conduct regular desludging as per the design and operations requirement of the septic tank or the on-site sanitation system as per the National Building Code, 2016;

(c) ensure that no person other than a licensee is engaged or caused to be engaged for the collection, transportation or disposal of faecal sludge and septage from his building;

(d) ensure that no person is engaged or employed, either directly or indirectly for hazardous cleaning of a septic tank or on-site sanitation system, as prohibited in the Prohibition of Employment as Manual Scavengers and their Rehabilitation Act, 2013 (Central Act 25 of 2013).

179-D. Duties of a licensee.— Every licensee shall,—

(a) follow the terms and conditions in regard to the time, route and decantation place, as may be specified in the licence;

(b) pay decantation fee not exceeding five hundred rupees per trip as may be prescribed, for usage of the disposal facility or the decantation place;

(c) maintain a log book in the prescribed format for recording of each trip undertaken for collection, transportation and disposal of faecal sludge and septage and submit it to the licencing authority before the 10th day of every quarter in a year;

(d) ensure that the specified vehicle is equipped with a Global Positioning System as may be prescribed and also ensure that the Global Positioning System instrument is functional and transmitting the data without any interruption.

179-E. Monitoring of desludging operations and prohibition of unsafe disposal.— (1) The licencing authority shall notify in the District Gazette and upload in the website or portal,-

(a) the places for decanting the faecal sludge or septage;

(b) the list of licensees and update them periodically; and

(c) a mechanism for filing complaints or reporting violations against the licensees.

(2) In the event of receipt of information of spillage of septage, the licencing authority shall immediately direct the licensee or the person in-charge of the specified vehicle to take action to contain the septage, minimise the environmental impact and remove all septage immediately from the site of spillage.

(3) The licencing authority shall appoint such officers not lower in rank than that of Sanitary Inspector, to monitor the activities of the licensees within the municipal limits by means such as inspection or Global Positioning System fitted in the specified vehicles, to prevent disposal of faecal sludge and septage in places other than those identified for decanting.

179-F. Penalties.— If any person contravenes or fails to comply with, any of the provisions of this Chapter or the rules made under this Act or of the terms and conditions subject to which the licence has been granted, shall be punishable for the first offence with fine, which may extend to twenty five thousand rupees and for the second or any subsequent offence, which may extend to fifty thousand rupees.

179-G. Power to suspend or cancel licence.— (1) The licencing authority may suspend the licence, if the licensee commits breach of any of the terms and conditions of licence or any of the provisions of this Chapter.

(2) The licencing authority may cancel the licence, if the licensee is imposed with penalty for the second offence under this Chapter:

Provided that before passing an order of cancellation of licence, an opportunity of making a representation within a period of fifteen days shall be given to the licensee.

179-H. Power to seize and confiscate vehicles, articles, etc.—

(1) Notwithstanding anything contained in this Act or in any other law for the time being in force, where an offence under this Chapter is believed to have been or is being committed, any officer, not lower in rank than that of a Tahsildar in Revenue department in the case of a town panchayat, the Commissioner in the case of a municipal council and any officer not lower in rank than that of an Assistant Commissioner in the case of a municipal corporation, may seize any vehicle or other articles including motor, pump, tube, tool or equipment used for the commission of such offence and shall without unreasonable delay, produce the same before the officer, authorised in this behalf by the Government.

(2) Where any such vehicle or other article is produced before the authorised officer and if he is satisfied that an offence under this Chapter has been committed, the authorised officer may, whether or not prosecution is instituted for such offence, he may, without prejudice to any other penalty to which the offender is liable under this Chapter, order confiscation of the vehicle or the articles so seized:

Provided that before passing an order of confiscation, the owner or the person from whom such vehicle or article is seized, shall be given—

(a) notice in writing informing him of the grounds on which it is proposed to confiscate;

(b) an opportunity of making a representation in writing and an opportunity of being heard in the matter.

(3) Where the authorised officer, after passing an order of confiscation under sub-section (2), is of the opinion that it is expedient in the public interest so to do, he may order the confiscated vehicle or the articles, to be sold by public auction.

(4) Where any confiscated property is sold under sub-section (3), and where the order of confiscation made under this section is set aside or annulled by an order under section 179-I, the proceeds of such sale, after deduction of the expenses of, or incidental to, such auction, shall be paid to the owner thereof or to the person from whom it was seized, as may be specified in such order.

179-I. Appeal.— (1) Any person aggrieved by an order made under this Chapter may appeal within such period and in such manner, and to such authority as may be prescribed.

(2) In deciding the appeal, the authority specified under sub-section (1) shall follow such procedure, as may be prescribed, and the decision of such authority on such appeal shall be final and shall not be called in question in any Court of law.”

Amendment of section 180.

94. In section 180 of the principal Act,—

(1) for the expression “ten thousand rupees”, the expression “twenty-five thousand rupees” shall be substituted;

(2) in the proviso, for the expression “five hundred rupees”, the expression “one thousand rupees” shall be substituted.

Insertion of new section 180-A.

95. After section 180 of the principal Act, the following section shall be inserted, namely:—

“180-A. Penalty for sinking well without permit or registration.— Whoever contravenes any of the provisions of section 164-A or 164-B or the rules made thereunder shall, on conviction, be punishable with imprisonment for a term which shall not be less than three years but which may extend to seven years and with fine which may extend to fifty thousand rupees.”.

Substitution of section 182.

96. For section 182 of the principal Act, the following section shall be substituted, namely:—

“182. Imprisonment in default of payment and application of costs, etc.— (1) In case any fine or costs imposed or assessed by a Judicial Magistrate under this Act or under any rule or bye-law made thereunder, has not been paid, the Judicial Magistrate may order the offender to be imprisoned in default of payment subject to all the restrictions, limitations and conditions imposed in sections 64 to 70 (both inclusive) of the Indian Penal Code (Central Act XLV of 1860).

(2) Any fine, costs, tax or other sum imposed or assessed by a Magistrate under this Act or under any rule or bye-law made thereunder, shall be recoverable by such Magistrate under the Code of Criminal Procedure, 1973 (Central Act 2 of 1974), as if it were a fine and the same shall, except in the case of fine, on recovery be paid to the municipality to be applied for the purposes of this Act.”.

Insertion of section 186-A.

97. After section 186 of the principal Act, the following section shall be inserted, namely:—

“186-A. Compounding of offences.— (1) Any offence punishable under this Act or rules or bye-laws made thereunder either before or after institution of prosecution, may be compounded by the Commissioner, on payment by that person, for credit to the municipality of such sum as the Commissioner may specify:

Provided that the fine amount shall not exceed the amount of fine specified under this Act or rules or bye-laws made thereunder.

(2) Where an offence is compounded under sub-section (1), no proceeding or further proceeding, as the case may be, shall be taken against the offender in respect of such offence so compounded, and the offender, if in custody, shall be released forthwith.

Amendment of section 189.

98. In section 189 of the principal Act,—

(1) in clause (b), the word “or” at the end shall be omitted;

(2) after clause (c), the following clauses shall be added, namely:—

“(d) execution of city sanitation or treatment plant or composting centres; or

(e) eviction of encroachments in municipality lands.”.

99. In section 194 of the principal Act,—

Amendment of
section 194.

(1) in sub-section (1), in clause (c), for the expression “registered post”, the expression “registered post or publishing in the newspaper or website” shall be substituted;

(2) in sub-section (3), for the expression “registered post”, the expression “registered post or publishing in the newspaper or website” shall be substituted.

100. For section 197 of the principal Act, the following section shall be substituted, namely:—

Substitution of
section 197.

“197. Power to remove difficulties.— If any difficulty arises in giving effect to the provisions of this Act as amended by the Tamil Nadu Urban Local Bodies (Amendment) Act, 2022, the Government may, by order published in the *Tamil Nadu Government Gazette*, make such provisions, not inconsistent with the provisions of this Act as amended by the Tamil Nadu Urban Local Bodies (Amendment) Act, 2022 as appear to them to be necessary or expedient for removing the difficulty:

Provided that no such order shall be made after the period of two years from the date of commencement of the Tamil Nadu Urban Local Bodies (Amendment) Act, 2022.”.

101. In section 200 of the principal Act,—

Amendment of
section 200.

(1) in sub-section (1), after item (j), the following items shall be added, namely:—

“(k) the Tiruppur City Municipal Corporation Act, 2008
(Tamil Nadu Act 7 of 2008);

(l) the Erode City Municipal Corporation Act, 2008 (Tamil Nadu Act 8 of 2008);

(m) the Vellore City Municipal Corporation Act, 2008
(Tamil Nadu Act 26 of 2008);

(n) the Thoothukudi City Municipal Corporation Act, 2008
(Tamil Nadu Act 27 of 2008);

(o) the Thanjavur City Municipal Corporation Act, 2013
(Tamil Nadu Act 24 of 2013);

(p) the Dindigul City Municipal Corporation Act, 2013
(Tamil Nadu Act 25 of 2013);

(q) the Hosur City Municipal Corporation Act, 2019 (Tamil Nadu Act 10 of 2019);

(r) the Nagercoil City Municipal Corporation Act, 2019
(Tamil Nadu Act 11 of 2019);

(s) the Avadi City Municipal Corporation Act, 2019 (Tamil Nadu Act 24 of 2019);

(t) the Cuddalore City Municipal Corporation Act, 2022
(Tamil Nadu Act 1 of 2022);

(u) the Kancheepuram City Municipal Corporation Act, 2022
(Tamil Nadu Act 2 of 2022);

(v) the Sivakasi City Municipal Corporation Act, 2022
(Tamil Nadu Act 3 of 2022);

(w) the Karur City Municipal Corporation Act, 2022 (Tamil Nadu Act 4 of 2022);

(x) the Tambaram City Municipal Corporation Act, 2022
(Tamil Nadu Act 5 of 2022);

(y) the Kumbakonam City Municipal Corporation Act, 2022
(Tamil Nadu Act 6 of 2022); and

(z) the Tamil Nadu Urban Local Bodies (Suspension of Operation)
Act, 2000 (Tamil Nadu Act 33 of 2000).”.

(2) in sub-section (3), for the expression "commencement of this Act" occurring in five places, the expression "commencement of the Tamil Nadu Urban Local Bodies (Amendment) Act, 2022" shall be substituted.

102. The whole of the principal Act, to the extent to which the operation of the said Act was suspended by the Tamil Nadu Urban Local Bodies (Suspension of Operation) Act, 2000 (Tamil Nadu Act 33 of 2000) shall stand revived with effect on and from the date of commencement of the Tamil Nadu Urban Local Bodies (Amendment) Act, 2022. Revival of operation of the principal Act.

STATEMENT OF OBJECTS AND REASONS.

The Chennai City Municipal Corporation Act, 1919 (Tamil Nadu Act IV of 1919), the Tamil Nadu District Municipalities Act, 1920 (Tamil Nadu Act V of 1920), the Madurai City Municipal Corporation Act, 1971 (Tamil Nadu Act 15 of 1971), the Coimbatore City Municipal Corporation Act, 1981 (Tamil Nadu Act 25 of 1981) were enacted for the administration of the aforesaid Corporations, Municipalities and Town Panchayats. Subsequently, the Tiruchirapalli City Municipal Corporation Act, 1994 (Tamil Nadu Act 27 of 1994), the Tirunelveli City Municipal Corporation Act, 1994 (Tamil Nadu Act 28 of 1994), the Salem City Municipal Corporation Act, 1994 (Tamil Nadu Act 29 of 1994) were enacted, which are referential legislations and the provisions of the Coimbatore City Municipal Corporation Act, 1981 (Tamil Nadu Act 25 of 1981) were made applicable *mutatis-mutandis* to these three newly created Corporations.

2. The aforesaid Corporation Acts and the Tamil Nadu District Municipalities Act, 1920 (Tamil Nadu Act V of 1920), which are sister enactments, consist of nearly, 500 sections, seven Schedules and numerous rules made thereunder. The Government during the year 1997, felt that a necessity had arisen then to have a common Act applicable to all the Town Panchayats, Municipalities and Corporations in the State. Hence, the Government decided to enact a comprehensive legislation which will be applicable to all urban local bodies in the State, repealing the existing Acts governing the Municipal Corporations and the Tamil Nadu District Municipalities Act, 1920 (Tamil Nadu Act V of 1920) governing the Municipalities and Town Panchayats.

3. Accordingly, by repealing the then existing Acts governing the Corporations, Municipalities and Town Panchayats, the Tamil Nadu Urban Local Bodies Act, 1998 (Tamil Nadu Act 9 of 1999) was enacted. The Tamil Nadu Urban Local Bodies Rules, 2000 were also framed under the said Act and the said Act and Rules were brought into force on the 1st August 2000.

4. However, representations were received from certain local bodies requesting time to study the provisions of the said Act and Rules before their actual implementation. In order to allow time for the local bodies to study the provisions of the said Act and Rules and to suggest changes, if necessary and to dispel the doubts that linger on, the Government suspended the operation of the said Tamil Nadu Urban Local Bodies Act, 1998 (Tamil Nadu Act 9 of 1999) by enacting the Tamil Nadu Urban Local Bodies (Suspension of Operation) Act, 2000 (Tamil Nadu Act 33 of 2000) and the repealed Corporation laws and the Tamil Nadu District Municipalities Act, 1920 (Tamil Nadu Act V of 1920) were revived. The said Tamil Nadu Urban Local Bodies Act, 1998 (Tamil Nadu Act 9 of 1999) and the rules made thereunder continue to remain suspended until now.

5. Tamil Nadu is one of the most urbanized States in the country. As per the 2011 population census, the percentage of urban population in the State was 48.45 per cent. Now, it is estimated that the percentage of population living in urban areas to the total population has increased to over 53 per cent. The process of rapid urbanization has created myriad challenges of more and better delivery of civic services. The Government feels that these challenges have to be effectively met, so as to provide a better quality of life to the millions of people living in the cities and towns of the State. Strengthening the administrative capacity of the urban local bodies through a better system for the day-to-day management of municipal affairs is crucial to meeting such challenges.

6. The Government, therefore, feels that, in order to strengthen the municipal governance, apart from engaging in a continuous process of transfer of functions, funds, and functionaries to the urban local bodies, there is an urgent and imperative need to provide an enabling environment through crucial legislative and institutional initiatives. As a part of this strategy and in the context explained supra, especially, the need and the advantages of a common Act applicable to all the urban local bodies in the State, the Government have decided to update and revive the Tamil Nadu Urban Local Bodies Act, 1998 (Tamil Nadu Act 9 of 1999) which is under suspension since the year 2000. On revival of the said Tamil Nadu Act 9 of 1999, all the Corporation laws, the Tamil Nadu District Municipalities Act, 1920 (Tamil Nadu Act V of 1920) and the Tamil Nadu Urban Local Bodies (Suspension of Operation) Act, 2000 (Tamil Nadu Act 33 of 2000) will stand repealed.

7. The Bill seeks to give effect to the above said decision.

K.N. NEHRU,
Minister for Municipal Administration.

MEMORANDUM REGARDING DELEGATED LEGISLATION.

Clauses 1(2), 3(k) and (l), 15, 25, 27, 28, 45, 46, 47, 51, 53, 54, 56, 58, 59, 60, 62, 73, 80, 84, 89, 90, 91, 93 and 100 of the Bill authorise the Government to issue notifications or orders or to make rules, as the case may be, to carry out the purposes specified therein.

2. The powers delegated are normal and not of an exceptional character.

K.N. NEHRU,
Minister for Municipal Administration.

Secretariat,
Chennai-600 009,
9th May 2022.

K. SRINIVASAN,
Secretary.