

municipalities. Adequate funds were not left to meet even the essential as well as basic needs of the population. Further, much of the powers conferred on the municipalities by the various French laws ceased to have effect as these laws had been replaced by Indian laws. As a result the Municipal administration as conceived in the XIX century stood eroded substantially. Hence the system was replaced by the Pondicherry Village and Commune Panchayats Act, 1973 and the Pondicherry Municipalities Act, 1973 respectively to govern village and town administration. Both these Acts came into force from 26 January 1974, and provisions of the Acts were sought to be enforced in stages. The Mayors and Deputy Mayors ceased to function with effect from that date. All executive powers of the Mayors stood transferred to the Commissioners.

Under the reorganised set-up, the Inspectorate of Local Bodies was converted into a Directorate headed by a Director to deal with administrative matters. He was conferred the ex-officio secretariat status with two Deputy Directors to deal with 'Municipal Administration' and 'Rural Development' respectively.

The Pay and Accounts Officer, Pondicherry, was appointed as the auditor of the accounts of receipts and expenditure of the funds of the Municipal Councils as well as Commune Panchayats. It will be his responsibility to constitute the Municipal Funds and Commune Panchayat Funds in accordance with the provisions of the Acts.

II. Municipalities and Commune Panchayats

Following the introduction of the Pondicherry Municipalities Act, four municipalities came into being viz., for Pondicherry, Karaikal, Mahe and Yanam towns. The jurisdiction of the Pondicherry Municipality extended to Pondicherry and Mudaliyarpettai Communes which stood amalgamated to form a single municipality. The entities of Karaikal, Mahe and Yanam Communes formed the Municipalities of Karaikal, Mahe and Yanam. While Pondicherry Municipality was designated as a Selection Grade Municipality, Karaikal and Mahe belonged to Grade II and Yanam belonged to Grade III. Under the new law, all functions excluding those which were assigned to the Chairman i.e., those which were hitherto exercised by the Mayor appointed under the

municipal *décret* came to be exercised by the Commissioner. The Mayors were also relieved of their day-to-day administrative responsibilities enabling them to be in greater contact with the public. A Commissioner (Selection Grade) was appointed as the executive head of the Pondicherry Municipality. The Karaikal Municipality was headed by a Commissioner Grade I. The municipalities of Mahe and Yanam were headed by Commissioners Grade III.

Under the new dispensation there are only eleven Commune Panchayats viz., Ozhukarai (with 12 members), Ariyankuppam (11), Villianur (12) Mannadipattu (12), Nettappakkam (12), Bahur (12), Tirunallar (12) Thirumalarajanpattinam (4), Niravi (5), Nedungadu (8) and Kottuchcheri (5). The territorial limits of these Commune Panchayats are coterminous with the respective communes. Each of the eleven commune panchayats is headed by a Commissioner.

The Council became the governing body of the Municipality as well as the Commune Panchayats with powers to issue directions to the executive authority. The Chairman, as the presiding officer of the Municipal Council/Commune Panchayat represents the Council in the day-to-day administration of the Municipality/Commune Panchayat and is entitled to be kept continuously informed of the working of the executive authority. The Commissioner has to consult the Chairman in respect of all matters on which such consultation would be conducive to the smooth working of these bodies. While the Commissioner is to function under the general control of the Council and to carry out all the lawful decisions and directions, he is expected to discharge all the executive functions vested in him, at his full discretion. Whenever the Commissioner feels that a particular direction is against the law, he is entitled to make a reference to the Government and seek its orders. To sum up, the Commissioner is the repository of all executive powers under the Act. No official correspondence between the Municipality/Commune Panchayat and the Government shall be conducted except through the Chairman.

Any measure which is likely to promote public safety, health, or the convenience of the inhabitants of the locality generally comes within the ambit of the functions of the Council. Except in matters where it involves relaxation of any provision of law, rule and in respect of matters which may be subject to restriction and control by the Government, no resolution of the Municipal Council would require the prior approval of the Government. However, an authenticated copy of the minutes of the proceedings of the meeting of the

Municipal Council, Commune Panchayat Council or Village Panchayat is to be forwarded by the Chairman or the President, as the case may be, to the Director within three days of the date of meeting. There was no provision in the old law either for a member to resign from the Council or to remove the Mayor through a motion of no confidence. The new measure provided for such exigencies.

The *décret* of 1880 did not spell out in detail the type of resources to be made available to municipalities after taxation, though article 46 of the *décret* conferred on them the power to levy taxes, rates and fees without any well defined scheme of distribution of taxing powers between the Government and the municipalities.²⁰ The municipalities are empowered to levy tax which are compulsory. In some cases the tax may be imposed with the approval of the Government. The municipalities could frame their own budgets within the limits of their own financial resources. Under the old law the budget had to be approved by the Government and even after the budget is approved, government sanction was necessary for expenditures exceeding Rs. 500. All taxes which were lawfully and actually levied prior to the commencement of the Act continued to be in force. The municipalities had no powers to collect the taxes due to them. This was attended to by the Revenue Department. The responsibility for the collection of taxes which was hitherto under the control of the '**Receveur Municipal**' stood transferred to the Commissioner. Under the new dispensation, taxes are collected by the municipalities themselves. Only such taxes the proceeds of which were assigned by the Administration to the local bodies such as house tax and land revenue surcharge, continued to be levied and collected by the Revenue Department. The Commune Panchayats may levy any of the taxes leviable by Village Panchayats under section 127 of the Village and Commune Panchayats Act, but the rate of tax leviable by the Commune Panchayat within the limits of the village panchayat should not exceed 25% of the prescribed maximum rates. The commune panchayats may also levy entertainment tax and tax on cinematograph exhibitions.

Under the old system, the qualification, method of recruitment, etc. of municipal employees were not specifically prescribed. Moreover no uniform criteria were followed in these matters by the municipalities. The new law prescribed a uniform procedure for the determination of conditions of service, etc.

In so far as the '**Etat-Civil**' and the disposal of the dead were concerned, the provisions of the French Civil Code continued to be in force and any reference to the Mayor or to any other functionary under the French law came to be construed as reference to the Chairman or the corresponding functionary under the Act.

The administration of the '**Comité de Bienfaisance**' continued to vest with the municipalities.

Functions:

The municipalities are responsible for lighting public streets, places and buildings, keeping them tidy and free from all encumbrances, controlling and stopping dangerous trades and practices, constructing and maintaining burial grounds, markets, slaughter houses, cattle sheds, etc. They are also responsible for water supply, drainage and sewerage, disposal of night soil, preparation of compost manure, providing relief for destitutes and also in times of scarcity, for providing preventive and remedial measures during outbreak of epidemics, etc.

As part of their optional duties the municipalities also provide funds for laying new streets, the establishment and maintenance of libraries, museums, lunatic asylums, gymnasiums, houses for destitute and disabled persons, town halls, municipal offices, shops, *dharmasalas*, rest houses, theatres, etc., acquisition and maintenance of grazing grounds, setting up of dairies or farms for the supply of milk, providing transport facilities to the public, conducting census or surveys, etc., control of dogs, and providing suitable places for the location of hotels and other establishments like laundries, barber-saloons, etc. within the municipal limits.

The functions and responsibilities of panchayats are classified as mandatory, discretionary and agency functions. The construction and maintenance of commune panchayat roads, shops and markets, etc., the establishment of maternity and child welfare centres, the improvement of agriculture and agricultural stocks, the provision of cottage industries and house sites, execution of minor irrigation works and community development programmes, taking preventive as well as remedial measures against epidemics are the main duties of the Commune Panchayats.

Village Panchayats are responsible for the construction and maintenance of village panchayat roads, public lighting, drainage, general cleanliness of the area, maintenance of burial and burning grounds, ponds and tanks, provision of protected water for drinking purposes, etc.

Financial resources :

The sources of revenue for the municipalities may be classified as tax income, assigned revenue and non-tax revenue. Property tax, professional tax (municipal patente), mahamai, entertainment tax, tree tax and other minor taxes fall under the group of tax income. The cess on land revenue and vehicle tax, the compensation payable under the Motor Vehicles (Taxation) Act, and the non-statutory grant under the scheme 'Aid to Local Bodies' constitute the assigned revenue.

Such sundry items as market fees, fishing rentals, ferry charges, yield from lease of usufructs of trees, income from land and properties and other miscellaneous receipts constitute the non-tax revenue of the municipalities.

During the year 1968 the ordinary income of all the communes was Rs. 37,59,768 and the revenue expenditure amounted to Rs. 32,63,066. Their ordinary revenue from taxation formed 69.6 per cent, non-tax revenue 15.6 per cent while grants and assigned revenue from the administration amounted to 14.8 per cent. A statement showing details of resources covering the above three categories for 1966, 1970 and 1974 is given below :

Sl. No.	Name of the municipality			Total ordinary revenue				
				1966	1970	1974		
				Rs.	Rs.	P.	Rs.	P.
1.	Pondicherry	(M)	.. ..	17,15,041	26,66,917.66		26,23,720.36	
2.	Mudaliyarpettai	(M)	.. ..	1,36,604				
3.	Ozhukarai	(C.P.)	.. ..	70,864	54,800.00		1,44,728.00	
4.	Ariyankuppam	( , , )	.. ..	63,582	68,469.08		1,55,306.27	

Sl. No.	Name of the municipality		Total ordinary revenue				
			1966	1970	1974		
			Rs.	Rs. P.	Rs. P.		
5.	Villiyannur	(C.P.)	92,888	1,67,626.20	2,98,177.47		
6.	Mannadipattu	(„)	39,845	94,916.00	2,60,670.00		
7.	Nettappakkam	(„)	64,470	59,817.00	1,34,084.00		
8.	Bahur	(„)	1,64,655	57,616.00	2,60,104.00		
9.	Karaikal	(M)	4,76,773	4,29,404.29	6,23,225.90		
10.	Kottuchcheri	(C.P.)	48,772	35,748.56	41,643.95		
11.	Tirunallar	(„)	1,12,058	1,11,254.22	1,46,519.84		
12.	Niravi	(„)	62,104	54,958.60	76,382.33		
13.	Tirumalarajanpattinam	(„)	50,604	70,199.32	1,00,459.12		
14.	Nedungadu	(„)	84,622	57,564.34	1,01,331.23		
15.	Mahe	(M)	1,30,004	3,629.47	1,57,051.63		
16.	Yanam	(„)	37,402	45,854.00	78,520.00		

C.P. = Commune Panchayat.

M. = Municipality.

Property tax contributed about 38.3 per cent of the total tax income of all communes. The next important source of tax revenue was *mahamai* which contributed 32 per cent of tax income. Income from entertainment tax came next with 8.2 per cent. The income from tree tax amounted to 7.3 per cent. The *per capita* income of the municipalities (in 1968) stood at Rs. 10.2 out of which tax income alone amounted to Rs. 7.1. The amount received in the form of grant was

Rs. 1.5 *per capita* as against Rs. 2.32 for All India as early as in 1960-61. This showed that assistance from grant to the municipalities was very meagre. The study made by the 1971 Commission showed that there was considerable gap between the needs and resources at the disposal of all the municipalities except Pondicherry. According to the Commission this was so, because the cost of provision of civic amenities had increased considerably in the context of the accelerated pace of industrialisation and urbanisation set in motion by large-scale development activities in the Territory and under-utilisation of taxing resources as well as reluctance on the part of municipalities to explore new avenues of resources.²¹ According to this Commission most of the municipalities did not fully utilise their taxation powers in an adequate manner. After having considered the existing tax measures, the Commission suggested the imposition of the following levies to augment the financial resources of the municipalities :

1. Surcharge on stamp duty.
2. Taxes on mineral rights.
3. Taxes on profession, trade and employment.
4. Taxes on motors (pump sets).

Property tax : The property tax or what is called as tax on buildings occupies a pivotal position in the system of finances of the municipalities in the Territory. It is levied on all types of buildings except those especially exempted within the municipal limits. The government which collected the property tax on behalf of the municipalities credited the amount to the municipal account retaining a small percentage of the total receipts, i.e., from 1 per cent to 3 per cent as collecting charges.

The tax was levied at a flat rate of 12 per cent of the annual rental value in the communes of Pondicherry and Karaikal and at the rate of 10 per cent of the annual rental value in respect of other communes. Neither a maximum nor a minimum rate was prescribed nor any lighting or conservancy rate was levied in addition to general property tax as was done by local bodies in some of the States in India.

The basis of assessment was the annual rental value of buildings which represented the gross annual rent at which they were expected to be let on rent from month to month or year to year, less a deduction for repairs for which there was no statutory sanction.²² In actual practice, a certain percentage of the rent was deducted from the gross rent to be determined by law. Although the statutory powers of levy and collection of property tax were vested with the Government, some sort of participation of elected representatives in the machinery for assessment was provided. The work of assessment of rental value of buildings subject to levy was made by a committee consisting of the Tahsildar and Deputy Tahsildar (Headquarters) of the area, a representative of the Municipal Council and two prominent citizens designated by the Municipal Council. Objections against assessment made by the committee were heard or a period of 15 days from the date of publication in the concerned *Mairie* and determined by the same committee whose decision thereon was final. However there were provisions in the *arrêté* for a judicial civil appeal in the matter of assessment. The revision of assessment was triennial. A statement of house tax collected for the years 1966, 1970 and 1974 is given below :

Sl. No.	Name of the municipality	1966	1970	1974
		Rs	Rs. P.	Rs P.
1	Pondicherry	3,70,397	} 9,31,726.82	10,52,144.84
2	Mudaliyarpettai	20,882		
3	Ozhukarai	4,229	75,000.00	1,01,317.92
4	Ariyankuppam	1,782	13,414.75	14,525.50
5	Villiyannur	10,820	13,493.33	24,179.38
6	Mannadipattu	—	8,000.00	11,000.00
7	Nettappakkam	4,691	7,717.00	15,442.00
8	Bahur	4,096	11,205.00	16,728.00
9	Karaikal	80,652	1,28,576.37	1,61,926.90
10	Kottuchcheri	3,053	7,369.25	4,915.71

Sl. No.	Name of the municipality	1966	1970	1974
		Rs.	Rs.P.	Rs.P.
11	Tirunallar	9,947	11,366.25	14,868.80
12.	Niravi	2,244	8,859.94	219.50
13	Tirumalarajanpattinam	5,713	18,041.50	—
14.	Nedungadu	4,255	8,838.27	7,751.60
15.	Mahe	28,435	35,201.10	1,23,706.90
16.	Yanam	3,127	12,242.94	31,805.51

The Commission which studied the structure of resources of the municipalities felt that the system of property tax suffered from two defects, viz., gross undervaluation in assessment of annual value and improper valuation due to lack of training, lack of guidelines for assessment of rental value and delay in assessment and collection. In order to remedy the situation, the Commission suggested the creation of a Central Valuation Organization in the Territory.²³ The Commission further recommended that the valuation of properties may be assessed by a Special Tahsildar exclusively appointed for the purpose in consonance with the recommendation of the Taxation Enquiry Committee for the creation of a Central Valuation Organization and that annual rental value may be fixed with reference to the reasonable rent computed by comparison with the trend of rate prevailing in similar buildings in the same area.

Factory buildings and cinema halls, etc., may be assessed on the basis of 'gross annual receipts'. As for owner occupied buildings it suggested that they could be assessed at 75 per cent of the rental value of similar houses.

Entertainment tax : The entertainment tax was exclusively earmarked for municipalities even during the French period. The rate of levy of tax on each payment for admission to any entertainment which varied from commune to commune, ranged from 10 to 25 per cent of the total face value of entrance tickets. In Pondicherry, Karaikal, Mahe and Yanam Municipalities the proceeds realised therefrom were apportioned between the municipalities and the Welfare Committee (**Comité de Bienfaisance**) in the manner prescribed by Government, while in the case of other municipalities the entire income went to the municipal funds. At present the Administration is not entitled to get any share out of the proceeds of the tax.

The following table will give an idea of the proceeds of entertainment tax during 1966, 1970 and 1974 :

Sl.No.	Name of the municipality			1966	1970	1974
				Rs.	Rs. P.	Rs. P.
1.	Pondicherry	..	..	50,746	3,10,414.95	7,65,135.45
2.	Mudaliyarpettai	..	..	—		
3.	Ozhukarai	..	..	25,145	22,000.00	2,25,603.10
4.	Ariyankuppam	..	..	9,475	14,248.50	27,239.13
5.	Villiyannur	..	..	13,657	18,245.57	38,437.00
6.	Mannadipattu	..	..	13,840	20,000.00	33,000.00
7.	Nettappakkam	..	..	11,090	11,877.00	24,673.00
8.	Bahur	..	..	2,515	4,592.00	34,915.00
9.	Karaikal	..	..	—	Nil	1,47,779.91
10.	Kottuchcheri	..	..	—	192.68	3,287.40
11.	Tirunallar	..	..	8,245	12,816.03	16,037.23
12.	Niravi	..	..	—	Nil	Nil
13.	Tirumalarajanpattinam	..	..	5,929	10,582.02	20,622.00
14.	Nedungadu	..	..	567	3,510.54	13,891.97
15.	Mahe	..	..	—	Nil	15,356.43
16.	Yanam	..	..	3,022	9,969.36	18,646.04

With regard to the entertainment tax, the Commission suggested the maximum rate to be enhanced to 25 per cent in the case of urban municipalities like Karaikal, Mudaliyarpettai and Ozhukarai and 20 per cent in the case of other municipalities.

Tree tax : The system of levying a tax on trees tapped for toddy was in vogue for many years in the Territory. This constituted one of the major sources of revenue of municipalities. In certain communes like Ariyankuppam where the number of coconut trees under toddy extraction was very large, the yield from the tax was the highest. The rate of levy varied from Rs. 2 to Rs. 5 per coconut tree and the municipalities were instructed in 1971 by the Government to enhance the rate to Rs. 5 per tree.

A statement of revenue derived therefrom during 1966, 1970 and 1974 is given below :

Sl. No.	Name of the municipality	1966	1970	1974
		Rs.	Rs. P.	Rs. P.
1.	Pondicherry	—	14,092.25	12,624.75
2.	Mudaliyarpettai	6,962		
3.	Ozhukarai	2,634	9,000.00	32,250.00
4.	Ariyankuppam	10,447	6,260.00	30,867.00
5.	Villiyannur	966	6,810.00	22,135.00
6.	Mannadipattu	310	4,000.00	12,000.00
7.	Nettappakkam	7,260	3,066.00	4,956.00
8.	Bahur	7,976	Nil	13,004.00
9.	Karaikal	9,725	18,169.00	6,848.00
10.	Kottuchcheri	2,998	12,968.00	5,843.00
11.	Tirunallar	14,893	50,205.00	42,384.00
12.	Niravi	17,259	34,721.00	28,721.67
13.	Tirumalarajanpattinam	6,202	7,620.00	9,575.00
14.	Nedungadu	4,657	15,563.00	19,096.00
15.	Mahe	4,710	Nil	2,340.00
16.	Yanam	—	Nil	Nil

The Commission also suggested that the tree tax levied both by the Administration and the municipalities be collected jointly and an amount may be assigned to municipalities in proportion to their demand from out of the total proceeds realised.

Grant-in-aid : In the context of the national policy to promote democratic decentralisation and enlargement of the functions of the local bodies, the responsibility of municipalities to cater to the growing social needs of urban and rural population increased in the Territory. This problem acquired new dimensions in the wake of large scale development activities generated through the Five Year Plans. As a result of these developments, the municipalities encountered some difficulties in discharging even their primary functions with their slender resources. In the circumstances, there was no other alternative for the Government than to render them financial assistance by way of grant-in-aid, in such fields of activities as were required to be supplemented by Government intervention. It was against this background that the scheme known as 'Aid to Local Bodies' was launched in the year 1957 to help communes take up schemes like road works, construction of water tanks, local development works, etc. The procedure followed with regard to the grant-in-aid was not so systematic in the beginning. There are no standing orders to determine the conditions and mode of grant. However, of late, the quantum of grant is determined on the basis of the population of the communes and the rate of their performance in respect of 'aid' sanctioned earlier. The grant of loan is governed by the Local Authorities (Loan) Act, 1914 and rules made thereunder and the instructions issued by the Government of India from time to time.

Such grants-in-aid and loans were granted to undertake development works, such as laying and metalling of roads, construction of latrines, dhobi ghats, *kalyanamandapams*, markets, drains and gutters, overhead tanks, laying of pipe lines, etc.

During the Third Plan period, a sum of Rs. 29.00 lakhs was given by way of loans and grants to local bodies. The assistance was, by and large, for road development, provision of water supply, construction of municipal markets, bus stands, cremation grounds, bridges and culverts, drains, bathrooms, lavatories, etc.

During the two years ended March 1968, an amount of Rs. 11.54 lakhs was given by way of grants-in-aid and Rs. 0.97 lakh by way of loans. The corresponding actual expenditure for 68-69 was Rs. 4,64,271 and Rs. 60,000 and for 1969-70 it was Rs. 6.00 lakhs and Rs. 1.00 lakh respectively. In the Fourth Five Year Plan an amount of Rs. 30.00 lakhs was provided under 'Aid to Local Bodies' out of which Rs. 25.00 lakhs was earmarked for grants-in-aid and Rs. 5.00 lakhs for loans.

The Commission (1971) noted that the pattern of grant-in-aid to the municipalities was not related either to the resources or to the needs of the municipalities.²⁴ It further pointed out that the scale of assistance sanctioned to municipalities was meagre and suggested that the total assistance released should not be less than Rs. 3 per capita as in the Union Territory of Goa.

The surcharge on land revenue ranged from 20 per cent to 40 per cent. The Commission recommended that the maximum rate of 40 per cent should be levied in favour of the municipalities. As for sharing the Motor Vehicles Tax the Commission recommended that 25 per cent of the receipts from this source should be allocated to local bodies. The Pondicherry Municipality is the only municipality spending about Rs. 80,000 for running some primary schools. The Commission viewed that the entire expenditure may be reimbursed by the Government.

Continuing the practice followed during the pre-merger days, the Department sanctioned grants to 22 sports and cultural and religious institutions, the chief amongst them are indicated below :

- (i) St. Joseph de Cluny Convent.
- (ii) Institute of Foreign Missions.
- (iii) Orphanage of 'Notre Dame des Anges'.
- (iv) Karaikal Ammayyar Temple.
- (v) Villiyanur Tirukameswarar Temple.

Non-tax revenue : The nature of non-tax revenue vary from commune to commune. It formed an insignificant percentage to the total ordinary revenue in the case of communes like Mudaliyarpettai, Tirunallar, Niravi, Nedungadu and Mahe. In the case of Mannadipattu and Yanam, non-tax revenue constituted a significant percentage.

Expenditure :

The expenditure pattern of the communes was such that works programme formed the most important item of expenditure involving 23.6 per cent. of the total ordinary expenditure. Expenditure on public health and sanitation ranked second. Public works which included roads and paths, public safety and convenience like street lighting and miscellaneous general administration are the remaining heads of expenditure in the order of importance. The item of 'Water supply' does not come within the purview of the municipalities.

The per capita expenditure of municipalities during 1968 worked out as follows :

<i>Name of the Municipality</i>				<i>Per capita expenditure</i>
				Rs. P.
1.	Pondicherry	(M )	.. ..	13.7
2.	Mudaliyarpettai	(C.P. )	.. ..	2.2
3.	Ariyankuppam	(C.P. )	.. ..	1.9
4.	Ozhukarai	( „ )	.. ..	1.1
5.	Villiyannur	( „ )	.. ..	0.4
6.	Mannadipattu	( „ )	.. ..	0.5
7.	Nettappakkam	( „ )	.. ..	0.5
8.	Bahur	( „ )	.. ..	0.8
9.	Karaikal	(M )	.. ..	6.4
10.	Kottuchcheri	(C.P. )	.. ..	1.3
11.	Tirunallar	( „ )	.. ..	1.7
12.	Tirumalarajanpattinam	( „ )	.. ..	1.4
13.	Nedungadu	( „ )	.. ..	2.7
14.	Niravi	( „ )	.. ..	1.5
15.	Mahe	(M )	.. ..	1.6
16.	Yanam	(M )	.. ..	2.91

The 1971 Commission which compared the per capita expenditure of the communes with the per capita expenditure suggested by the Town and Country Planning Organisation for maintaining the services at minimum levels of standards came to the conclusion that there was a wide gap between the needs and resources.

The various items of expenditure of the communes were classified as compulsory and optional. For example, expenditure on the maintenance of town hall and buildings allotted to the municipal office, printing charges, subscription, pension, repairs to municipal buildings, maintenance of graveyards and cremation grounds, payment of debts, vaccination charges and maintenance of municipal records, etc. were treated as compulsory items of expenditure.

Budget :

The financial transactions of the municipalities were mainly governed by the provisions contained in the *arrêté* dated 13 August 1912²⁵ followed by the *arrêté* dated 2 December 1912, promulgating the *décret* of 29 October 1912²⁶ read with the *décret* of 30 December 1912 on financial administration of the colonies.

The *arrêté* of 13 August 1912 dealt with the preparation of the budget, the basis for casting the receipts, the conditions under which loans can be raised, prevention of deficit budgeting, procedure for modifications of provisions, preparation of supplementary budget, absence of budget, and the effect of late approval. These elements have been touched upon in the decree of 30 December 1912, a summary of which is given below :

The financial year began on 1 January and ended on 31 December of the same year. However three months time was granted to close the accounts by 31 March of the subsequent year. The budget of each commune was prepared by the Mayor, discussed by the Municipal Council and approved by the Governor in Council. The Budget Estimates were discussed and approved before the beginning of the financial year whereas the supplementary budget was discussed and approved in the course of the year concerned. The Municipal Council may make provision in the budget for unforeseen expenditure which may be incurred by the Mayor during emergencies. The Mayor should however inform the Governor immediately thereafter and the Municipal Council at the first ordinary session held after incurring such expenditure.

Although the Mayors held the accounts of the communes, the receipts and expenditure passed through the '**Receveur Municipal**' who paid for the items of expenditure ordered by the Mayor.

Auditing :

The annual accounts of the municipal administration were submitted to the Municipal Councils before being forwarded to the Governor for onward transmission to the authority competent to scrutinize them. Whenever the amount of ordinary receipts of the preceding three years exceeded 30,000 francs* the accounts of the communes were subjected to the audit of '**Cour de Comptes**' and in all other cases the accounts went to the '**Conseil privé**'.

The accounts to be audited by the '**Cour de Comptes**' were forwarded by the Governor with all vouchers in the month of September so that they could reach the '**Cour**' before 15 November. The other accounts were audited before the close of the year by the Privy Council to which the matter was referred before 30 September.

Grant of licences :

The **décret** of 10 May 1882 governed the procedure and conditions for the grant of licences to set up industries within the limits of communes.

Before going into the detailed procedure followed for the grant of licence, it may be noted that the object was to ensure the proper location of the industrial units so as not to create unhygienic or insanitary conditions in the area. In other words, no industrial establishment which was likely to affect the peace and tranquility of the locality or endanger life and property was allowed to come up in the area.

According to article 6 of the **décret**, on receipt of an application from an intending industrialist, a '**commodo** and **incommodo**' inquiry was held, inviting objections, if any, from the residents of the locality. Even after completing these formalities, the Government granted licence only to those industrial units which were not objected to by the Sanitary Commission (**Commission Sanitaire** and the Health Board (**Conseil d'Hygiène de Salubrité Publique**)). Even now the same procedure is followed although at present the licence is issued by the Governor on the recommendation of the Secretary, Local Administration Department.

* Modified as 100,000 francs, vide J.O. 1924, p. 500.

Secours Local :

The Representative Assembly by its **délibération** of 11 September 1950 authorised the grant of compassionate allowance or what is called '**Secours Local**'. This was given effect to by the **arrêtés** of 11 December 1950 and 20 May 1952. In accordance with the said **délibération**, **Secours de première nécessité** are granted to families of deceased pre-merger employees. **Secours éventuel** are granted to persons who had rendered some meritorious service in the past but are left in indigent circumstances. The former is sanctioned for a maximum period of three years. It may either be reduced or cancelled according to the availability of funds and improvement in the financial condition of the beneficiary. The third type of assistance is known as '**Secours temporaire**' which are sanctioned to municipal employees who had not put in the requisite qualifying service to be eligible for pension in accordance with the French Pension Rules and ex-members of the Municipal Council having completed a tenure of five years or more and in the event of their death, to the widows or orphaned children. Such financial assistance to government employees who retired without eligibility for pension and to members of representative bodies suspended during 1968-69 was however resumed the following year.

These '**Secours**' are granted on the basis of the recommendations of a Committee set up for the purpose every year.

Municipal employees :

In 1971, there were 1,514 persons employed by all the 16 Communes in this Territory.²⁷ The staffing pattern of municipal employees, their workload, pay scales, etc. came in for review by the Commission constituted by the Administration on 13 February 1971.²⁸ This Commission which came to the conclusion that quite a number of posts were surplus suggested ways and means to accommodate them against future vacancies as a result of retirement, resignation or new creation.

The Commission also found several defects in the pay structure. On the one hand the resources were so meagre and the expenditure on establishment so high that most of the communes were left with any surplus to incur any worth while developmental expenditure. The Commission also found that service conditions varied from commune to commune. A rationalisation of this state of affairs was therefore found necessary, so as to have a uniform set of rules for all municipal employees as in the case of most of the states. After hearing the representatives of the municipal employees and the

Municipal Councils the Commission recommended that so far as leave, pension, discipline and conduct and medical reimbursement were concerned, the same set of rules that were applicable to Government servants should apply to all the employees covered by the '*Statut personnel*'. This benefit was applied only to the regular employees of the municipalities with option to such employees to continue in the old scales.

In the case of workers who included all persons other than those hitherto covered by the '*Statut personnel*' applicable to municipal employees, it was recommended that in respect of pension, retirement, superannuation and provident fund, the same set of rules that were extended to the municipal employees should apply to them also, subject to the condition that only 80 per cent of their past services should be reckoned for the purpose of computation of pension, gratuity, etc., they being entitled to '*Secours*'. The commission further recommended an additional ten days leave in a year as sick leave, to be availed of on the strength of a medical certificate from a competent medical Officer. All municipal workers were to be provided with free medical aid. Female workers were assured of two months' maternity leave for every confinement. The Commission further recommended that such of those daily rated staff who were not declared as surplus or part-time should be brought into a regular scale prospectively.

Village Panchayats :

The Pondicherry Village and Commune Panchayats Act provided for the formation of Village Panchayats in the Territory. With effect from 26 January 1974, the date on which the Act was brought into force, the eleven Commune Panchayats were divided into 105 Village Panchayats and the area of each Village Panchayat was determined.²⁹ The number of Village Panchayats stood increased to 143 as per G. O. Ms. No. 95 dated 5 May 1975. These Village Panchayats are to be represented in the concerned Commune Panchayat by a representative each.

According to the provisions of the Act, these Village Panchayats will be responsible for the construction and maintenance of public roads within their area, burial grounds, drainage, cleanliness of streets, provision of public latrines, water for drinking and other purposes and for taking measures to promote public hygiene. They are also responsible for planting trees along public roads, provision of lights, for the opening and maintenance of public markets, public landing places, slaughter houses, reading rooms etc., and for the control of fairs and festivals and for the establishment and maintenance of wireless receiving sets, parks, playgrounds, etc.

The Village Panchayats are empowered to levy house tax, profession tax, a duty on certain transfers of immovable property situated within the jurisdiction of the village panchayat in the form of additional stamp duty, a duty on toddy levied in the form of additional excise duty, a tax on agricultural land for a specific purpose, a tax on fairs and festivals, a tax on the village produce sold in the village by weight, measurement or number, fee for the use of poromboke or communal land, fee for market and cart stand, a fee for the supply of water, etc.

Given below is the commune-wise list of 143 Village Panchayats in the Territory :

I. ARIYANKUPPAM COMMUNE

- | | |
|------------------|--------------------------|
| 1. Ariyankuppam | 7. Purnankuppam |
| 2. Kakayantope | 8. Nallavadu |
| 3. Virampattinam | 9. Andiarpalayam |
| 4. Manaveli | 10. Abhishekapakkam |
| 5. Nonanguppam | 11. Thimmanayakanpalayam |
| 6. Tavalakuppam | |

II. OZHUKARAI COMMUNE

- | | |
|--------------------|------------------------|
| 1. Alankuppam | 8. Kadirkamam |
| 2. Periakalapet | 9. Vimakavundanpalayam |
| 3. Chinnakalapet | 10. Dhanwantarinagar |
| 4. Pillaichavadi | 11. Arumattapuram |
| 5. Dharmapuri | 12. Ozhukarai |
| 6. Muttirapalaiyam | 13. Reddiyarpalaiyam |
| 7. Shanmuhkapuram | 14. Ellupillaichavadi |

- | | |
|----------------------|----------------------|
| 15. Poomiampet | 19. Tattatukalavapet |
| 16. Kavundanpalaiyam | 20. Pakkamudiyapet |
| 17. Saram | 21. Laspettai |
| 18. Narimedu | 22. Karuvadikkuppam |

III. VILLIYANUR COMMUNE

- | | |
|--------------------|-------------------|
| 1. Sedarappattu | 12. Sattamangalam |
| 2. Karasur | 13. Mangalam |
| 3. Tondamanattam | 14. Uruvaiyar |
| 4. Ramanathapuram | 15. Perungalur |
| 5. Pillaiyarkuppam | 16. Thirukanji |
| 6. Poraiyur | 17. Kurumbettai |
| 7. Gudappakkam | 18. Sultanpettai |
| 8. Agaram | 19. Odiyambattu |
| 9. Sendanattam | 20. Kanuvapet |
| 10. Ariyur | 21. Villiyanur |
| 11. Sivarantagam | |

IV. MANNADIPATTU COMMUNE

- | | |
|------------------|-------------------------------|
| 1. Manalipet | 5. Mannadipattu |
| 2. Kunichampattu | 6. Sombattu |
| 3. Settippattu | 7. Vadanur-Puranasingapalayam |
| 4. Tirukkanur | 8. Silakaripalayam |

- | | |
|---------------------|------------------------|
| 9. Kalitirtakuppam | 17. Sellippattu |
| 10. Madagadippattu | 18. Kodattur |
| 11. Nallur | 19. Kumarapalayam |
| 12. Tirubhuvanai | 20. Suttukanni |
| 13. Tiruvandarkovil | 21. Pudukkuppam |
| 14. Kottapurinattam | 22. Katterikuppam |
| 15. Sanyasikuppam | 23. Madagadipetpalayam |
| 16. Sorappattu | |

V. NETTAPPÄKKAM COMMUNE

- | | |
|---------------------|--------------------|
| 1. Madukkarai | 7. Kalmantapam |
| 2. Kariyamanikkam | 8. Embalam |
| 3. Suramangalam | 9. Sembiapalayam |
| 4. Erippakkam | 10. Nattamedu |
| 5. Nettappakkam | 11. Korkkadu |
| 6. Pandacholanallur | 12. Karkilambakkam |

VI. BAHUR COMMUNE

- | | |
|--------------------|----------------------|
| 1. Panaiyadikuppam | 6. Kudiiruppupalayam |
| 2. Karaiyamputtur | 7. Bahur |
| 3. Manamedu | 8. Irulansandi |
| 4. Aranganur | 9. Kuruvinnattam |
| 5. Seliyamedu | 10. Soriyankuppam |

11. Parikkalpattu
12. Krishnavaram
13. Kattukkuppam
14. Manappattu

15. Kirumambakkam
16. Pillaiyarkuppam
17. Pannittittu

VII. KOTTUCHCHERI COMMUNE

1. Puvam
2. Varichchikudi
3. Tiruvettakudi

4. Kottuchcheri
5. Kilkasakkudi

VIII. NIRAVI COMMUNE

1. Vilidiyur
2. Oduturai
3. Keezhmanai

4. Niravi
5. Akkaravattam
6. Karakalachcheri

IX. NEDUNGADU COMMUNE

1. Nallattur
2. Kurumbagaram
3. Vadakattalai
4. Ponbetti

5. Nedungadu
6. Puttakudi
7. Melkasakkudi

X. T.R. PATTINAM COMMUNE

1. Melaiyur
2. T.R. Pattinam
3. Keezhaiyur

4. Edatheru
5. Polagam
6. Vanjiur

XI. TIRUNALLAR COMMUNE

- | | |
|--------------------|------------------------|
| 1. Ambagarattur | 8. Sellur |
| 2. Nallazhandur | 9. Sorakkudi |
| 3. Nallambal | 10. Serumavilangai |
| 4. Settur | 11. Mel Subbarayapuram |
| 5. Valattamangalam | 12. Tirunallar |
| 6. Karkkankudi | 13. Pettai |
| 7. Muppattankudi | |

Etat-Civil or Civil Registry :

The practice of registering births was introduced in Pondicherry in 1676 i.e., only two years after the arrival of the French. These registers, maintained by the missionaries, contained only details of births.³⁰ The original registers do not give any indication of births for the years from 1683 to 1684.³¹ The registration of marriages and deaths seems to have started only from 1687. The work remained suspended between 1693-1699 i.e., during the Dutch occupation. Following the return of the missionaries to Pondicherry on 18 March 1699, registration was resumed on 15 April 1699.³² All these years registration covered only the French, the *Topas* and the converted Hindus.³³

The ordinance of 31 January 1824 appears to be the first legislation on the subject. Nothing much is known about it. The absence of such registry for Hindus seems to have led to some problems and heart burning.³⁴ Hence the *arrêté* of 23 June 1842, ordered registers to be opened for natives at the headquarters of the three districts of Pondicherry, Villianur and Bahur and in the establishments of Chandernagore, Karaikal, Mahe and Yanam, to register births, deaths and marriages. This arrangement continued till 1855. The *arrêté* of 29 December 1855 introduced some changes in the Civil Registry touching upon the mode of declaration, registration, etc.³⁵ This new arrangement continued till 1880, when by the decree of 24 April 1880, the provisions of the Civil Code relating to the registration of births and deaths were made applicable to natives with certain modifications, to suit local conditions.

Under the French Civil Code, French settlers and their descendents claimed the status of **Citoyens Français**. The natives of French India who were of Indian origin and known as '**sujets**' did not have the same status as that of Frenchmen. But it was however open to them to adopt the French civil or political laws. For this purpose they had to renounce their personal native laws upon which they came to be called '**renonçants**'. For the purpose of registration of births and deaths, '**renonçants**' were governed by relevant provisions of the French civil and political laws as applicable to French citizens in the colony. The decree of 21 September 1881 promulgated by the **arrêté** of 3 January 1882, prescribed the procedure to be adopted for renunciation and charged the **Etat-Civil** with the functions to be performed under this decree.³⁶ To sum up, the registration of births and deaths of French citizens and **renonçants** was governed by the French Civil Code and that of others by the decree of 24 April 1880. The Deputy Mayor performed the duties of Registrar of Births and Deaths. Entries of births and deaths in respect of '**renonçants**' were made in triplicate, one to be maintained in the Mayor's office, the second to be sent to the Court and the third one to be forwarded to France. Only two copies of the registration were maintained in respect of '**sujets**' for registration of births. One register was kept in the **Etat-Civil** and the other in the Court.

Hindus and Muslims were allowed to solemnise their marriages either before the Officer of the Civil Registry or in accordance with their religious customs. However every Brahmin, Pandaram or Kazi was responsible to report all marriages solemnised by him to the Civil Registry.

All those who belonged to the category of **renonçants** and **sujets**, were issued a booklet called **Livret de famille** free of cost at the time of their marriage. This booklet contained all particulars about the couple, the birth/death of their children, etc.

All declarations of death duly certified were to be filed within twenty-four hours. Permission for burial was issued by the Mayor on the strength of such certificates. As in the case of birth, only two registers of deaths were maintained, one in the **Etat-Civil** and the other in the Court. No inhumation or cremation could be carried out without an authorisation by an Officer of the Civil Registry or by the officials designated by the Governor.

The registration of births and deaths was compulsory. Moreover, the birth certificate was a pre-requisite for admission in schools and for entry into Government service. In keeping with the French tradition, birth certificates were made essential for obtaining several benefits such as children's allowance, school admission and employment by the state. Again under the French regime, a certificate of birth was necessary before a person could be registered as a voter. Further, even illegitimate children could be registered, as the legality of marriage was never questioned at the time of registration. As regards death registration, inheritance of property and other state benefits to the heirs of the deceased person required the production of the death certificate and this meant more accurate registration of deaths in the Territory.

Apart from the fact that the system even in the French regime had its limitation, it has shown marks of deterioration after *de facto* merger of the Territory with the Indian Union. Whatever incentive existed for registering births in pre-merger days has been now removed. At the same time no effective agency of the Government has been involved which will see to the proper registration of births and deaths in this Territory. As such the reliance which can be placed on the accuracy of vital statistics has become less. But it is possible to ensure that the registration is done properly if the commune organisation takes a direct interest in the matter.³⁷

III. Town planning

Pondicherry Town :

The town of Pondicherry linked historically with the ancient 'Poduke' stands immortalised by the Periplus of the Erythraean Sea as a treaty port attracting to its shore traders from distant lands. Pondicherry has also been identified with the 'Puthuvai' of 'Thirumunaipadinadu in Nadunadu'.³⁸ Jouveau Dubreuil believes that Ozhukarai was the real town and Puthuvai was only its 'fauxbourg' or suburb. There are inscriptional evidences to show that from XI century onwards, Ozhukarai was known as Kulothunga-Chola-Nallar in Mattur Nadu named after Kulothunga-I.³⁹ At the time of the arrival of the Portuguese in the XVI century, Ozhukarai's limit seems to have extended upto the settlement of fishermen along the sea-shore. The ruins of the Danish **loge** within an enclosure, an age-old temple dedicated to Lord Shiva (the original Vedapureeswarar temple), a trade oriented agglomeration in the neighbourhood, the XVII century temple of Pillayar (the Manakula Vinayagar temple) another temple and two mosques constituted the chief landmarks of Pondicherry in 1674 when François Martin landed at Kirapalaiyam with a contingent of 69 soldiers.⁴⁰