



LAW DEPARTMENT

# THE MADRAS PANCHAYATS ACT, 1958

(MADRAS ACT XXXV OF 1958)

*(As modified up to the 15th March 1960)*



GOVERNMENT OF MADRAS  
1961

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### LAW DEPARTMENT.

## THE MADRAS PANCHAYATS ACT, 1958 (MADRAS ACT XXXV of 1958).

(As modified up to the 15th March 1960).

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### REFERENCES TO PAPERS CONNECTED WITH THE PRINCIPAL ACT.

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# THE MADRAS PANCHAYATS ACT, 1958

(MADRAS ACT XXXV OF 1958).

*An Act to make better provision for the organization of village and town panchayats and for the constitution of panchayat union councils.*

WHEREAS it is necessary in the national interest that the production of food should be increased progressively from year to year so as to keep pace with the growth of population and that the growth of population should be brought under control ;

WHEREAS the measures designed to secure these two national purposes depend for their successful implementation on their being undertaken as part of a comprehensive programme of measures designed to promote rural employment, to improve rural living conditions, to provide cultural and recreational facilities in rural areas, and thus to raise the standard of living of the rural people ;

WHEREAS such a comprehensive programme of measures has been framed and is embodied in the National Extension Service Scheme of Community Development, and, in pursuance of such scheme, various services are being organized, works constructed and other facilities provided in rural areas ;

WHEREAS a stage has been reached when statutory provision has to be made for the setting up of local administrative organizations in rural areas so as to be capable of undertaking and discharging the responsibility for efficient maintenance and further progressive development of services, works and other facilities aforesaid ;

AND WHEREAS it is a directive principle of State Policy embodied in the Constitution that the State should take steps to organize village panchayats and endow them with such power and authority as may be necessary to enable them to function as units of self-government ;



Be it enacted in the Ninth Year of Republic of India as follows:—

## CHAPTER I.—PRELIMINARY.

1. *Short title extent and commencement.*—(1) This Act may be called the Madras Panchayats Act, 1958.

(2) It extends to the whole of the State of Madras except (i) the City of Madras, (ii) the municipalities governed by the Madras District Municipalities Act, 1920 (Madras Act V of 1920), (iii) the cantonments governed by the Cantonments Act, 1924 (Central Act II of 1924), and (iv) the townships governed by the Mettur Township Act, 1940 (Madras Act XI of 1940), the Courtallam Township Act, 1954 (Madras Act XVI of 1954) and the Bhavanisagar Township Act, 1954 (Madras Act XXV of 1954).

(3) It shall come into force on such date, not being later than the 2nd day of October 1961, as the Government may, by notification, appoint; and different dates may be appointed for different provisions of this Act or for different areas.

2. *Definitions.*—In this Act, unless there is anything repugnant in the subject or context—

(1) 'building' includes a house, out-house, tent, stable, latrine, shed, hut, wall (other than a boundary wall not exceeding eight feet in height) and any other such structure, whether of masonry, bricks, wood, mud, metal or any other material whatsoever ;

(2) 'casual vacancy' means a vacancy occurring otherwise than by efflux of time and 'casual election' means an election held to fill a casual vacancy ;

(3) 'Chairman' means the Chairman of the Panchayat Union Council ;

(4) 'Collector' means the Collector of the revenue district ;

(5) 'commissioner' means the commissioner of the panchayat union ;

(6) 'company' means a company as defined in the Companies Act, 1956 (Central Act I of 1956) and includes a foreign company within the meaning of section 591 of that Act ;

(7) 'district' means the revenue district referred to in sub-section (1) of section 8 of the Madras District Development



Councils Act, 1958, or the local area constituted into a district under sub-section (2) of that section as altered by the notifications, if any, issued under sub-section (3) of the same section ;

(8) ' District Development Council ' means the District Development Council established under the Madras District Development Councils Act, 1958 ;

(9) ' election authority ' means such authority, not being the president or vice-president or a member of the panchayat or the chairman or vice-chairman or a member of the panchayat union council as may be prescribed ;

(10) ' executive authority ' means, in the case of a town panchayat, the executive officer and in the case of a village panchayat, the president ;

(11) ' executive officer ' means the executive officer of a town panchayat ;

(12) ' Government ' means the State Government ;

(13) ' house ' means a building fit for human occupation, whether as a residence or otherwise, having a separate principal entrance from the common way, and includes any shop workshop or warehouse or any building used for garaging or parking buses or as a bus stand ;

(14) ' hut ' means any building which is constructed principally of wood, mud, leaves, grass or thatch and includes any temporary structure of whatever size or any small building of whatever material made, which the panchayat may declare to be a hut for the purposes of this Act ;

(15) ' Inspector ' means any officer who is appointed by the Government to exercise or perform any of the powers or duties of the Inspector under this Act ;

(16) ' latrine ' includes privy, water-closet and urinal ;

(17) ' member ' means a member of a panchayat or of a panchayat union council as the case may be ;

(18) ' ordinary vacancy ' means a vacancy occurring by efflux of time and ' ordinary election ' means an election held to fill ordinary vacancy ;

(19) ' owner ' includes—

(a) the person for the time being receiving or entitled to receive whether on his own account or on behalf of another person as agent, trustee, guardian, manager or receiver or for any religious or charitable purpose the rents or profits of the property in connexion with which the word is used ; and



(b) the person for the time being in charge of the animal or vehicle in connexion with which the word is used;

(20) 'panchayat' means the body constituted for the local administration of a village or town under this Act ;

(21) 'panchayat development block' means the area declared by the Government from time to time to be a panchayat development block for the purposes of this Act ;

(22) 'panchayat town' means any local area over which a panchayat which is classified as a town panchayat under this Act has jurisdiction ;

(23) 'panchayat union' means any local area which is declared to be a panchayat union under this Act ;

(24) 'panchayat union council, means the body constituted for the administration of a panchayat union under this Act ;

(25) 'panchayat village' means any local area over which a village panchayat has jurisdiction ;

(26) 'president' means the president of a panchayat ;

(27) 'private road' means any street, road, square, court, alley, passage, cart-track, foot-path or riding-path which is not a 'public road', but does not include a pathway made by the owner of premises on his own land to secure access to, or the convenient use of, such premises ;

(28) 'public road' means any street, road, square, court, alley, passage, cart-track, foot-path or riding-path, over which the public have a right of way, whether a thoroughfare or not, and includes—

(a) the roadway over any public bridge or causeway;

(b) the footway attached to any such road, public bridge or causeway; and

(c) the drains attached to any such road, public bridge or causeway, and the land, whether covered or not by any pavement, veranda, or other structure, which lies on either side of the roadway up to the boundaries of the adjacent property, whether that property is private property or property belonging to the State or Central Government ;

(29) a person is deemed to have his 'residence' or to reside' in any house if he sometimes uses any portion thereof as a sleeping apartment, and a person is not deemed to cease to reside in any such house merely because he is absent from it or has elsewhere another dwelling in which he resides, if he is at liberty to return to such house at any time and has not abandoned his intention of returning ;

(30) 'revenue district' means any local area which for purposes of revenue administration is under the charge



of a District Collector, after excluding therefrom all areas included in—

(a) the City of Madras including Fort St. George with the glacis;

(b) municipalities constituted under the Madras District Municipalities Act, 1920 (Madras Act V of 1920); and

(c) cantonments constituted under the Cantonments Act, 1924 (Central Act II of 1924);

(31) 'Scheduled Castes' shall have the same meaning as in the Constitution of India;

(32) 'town' means any local area which is declared to be a panchayat town under section 3, sub-section (1)

(33) 'town panchayat' means a panchayat classified as a town panchayat under this Act;

(34) 'unreserved forest' means a forest not notified under section 4 of the Madras Forest Act, 1882 (Madras Act V of 1882) and includes unreserved land at the disposal of the Government;

(35) 'village' means any local area which is declared to be a panchayat village under section 3, sub-section (1) and 'revenue village' means any local area which is recognized as a village in the revenue accounts of Government after excluding therefrom the areas, if any, included in—

(a) the City of Madras including Fort St. George with the glacis;

(b) municipalities constituted under the Madras District Municipalities Act, 1920 (Madras Act V of 1920);

(c) cantonments constituted under the Cantonments Act, 1924 (Central Act II of 1924); and

(d) the townships constituted under the Mettur Township Act, 1940 (Madras Act XI of 1940), the Courtallam Township Act, 1954 (Madras Act XVI of 1954) and the Bhavanisagar Township Act, 1954 (Madras Act XXV of 1954);

(36) 'water-course' includes any river, stream or channel, whether natural or artificial;

(37) 'year' means the financial year.

## CHAPTER II.—CONSTITUTION AND GOVERNMENT OF PANCHAYATS AND PANCHAYAT UNION COUNCILS.

### FORMATION OF PANCHAYAT VILLAGES, PANCHAYAT TOWNS AND PANCHAYAT UNIONS.

#### 3. *Formation of panchayat villages and panchayat towns.*—

(1) The Inspector shall by notification—

(a) classify and declare every local area comprising a revenue village or villages or any portion of a revenue village or contiguous portion of two or more revenue villages and



having a population estimated at not less than five thousand and an annual income estimated at not less than ten thousand rupees as a panchayat town for the purposes of this Act;

(b) classify and declare every other local area comprising a revenue village or villages or any portion of a revenue village or contiguous portions of two or more revenue villages with a population estimated at not less than five hundred as a panchayat village for the purposes of this Act; and

(c) specify the name of such panchayat town or panchayat village.

(2) (a) The Inspector may, by notification, exclude from a village or town any area comprised therein, provided that the population of the village or town, after such exclusion, is not less than five hundred.

(b) In regard to any area excluded under clause (a), the Inspector shall by notification under sub-section (1) declare it to be a village or town if it has a population of not less than five hundred or if its population is less than five hundred include it in any contiguous village or town under clause (c) (i).

(c) The Inspector may, by notification—

(i) include in a village or town any local area contiguous thereto; or

(ii) cancel or modify a notification issued under sub-section (1); or

(iii) alter the name of any village or town specified under sub-section (1).

(d) Before issuing a notification under clause (a) or under clause (b) read with sub-section (1) or under clause (c), the Inspector shall give the panchayat or panchayats which will be affected by the issue of such notification a reasonable opportunity for showing cause against the proposal and shall consider the explanations and objections, if any, of such panchayat or panchayats.

(3) Any rate-payer or inhabitant of such area or any panchayat concerned may, if he or it objects to any notification under sub-section (1) or sub-section (2), appeal to the Government within such period as may be prescribed.

(4) The Inspector may pass such orders as he may deem fit—

(a) as to the disposal of the property vested in a panchayat which has ceased to exist, and the discharge of its liabilities;

(b) as to the disposal of any part of the property, vested in a panchayat which has ceased to exercise jurisdiction over any local area, and the discharge of the liabilities of the panchayat relating to such property or arising from such local area.



An order made under this sub-section may contain such supplemental, incidental and consequential provisions as the Inspector may deem necessary, and in particular may direct—

.. (i) that any tax, fee or other sum due to the panchayat or where a panchayat has ceased to exercise jurisdiction over any local area, such tax, fee or other sum due to the panchayat as relates to that area shall be payable to such authorities as may be specified in the order;

(ii) that appeals, petitions, or other applications with reference to any such tax, fee or sum which are pending on the date on which the panchayat ceased to exist or, as the case may be, on the date on which the panchayat ceased to exercise jurisdiction over the local area, shall be disposed of by such authorities as may be specified in the order.

4. *Townships*.—(1) The Government may, if a specific motion is passed to that effect by both Houses of the Legislature, declare any village or town or any specified part thereof to be a township if it is an industrial, labour or institutional colony or a health resort.

(2) In regard to any area declared to be a township, the Government shall, by notification, constitute a township committee.

(3) A notification issued by the Government may direct that any functions vested in a panchayat by or under this Act shall be transferred to and performed by the township committee and shall provide for—

(i) the total number of members of the township committee;

(ii) the persons who shall be members of the township committee or the manner in which they shall be chosen;

(iii) the person who shall be the chairman of the township committee or the manner in which he shall be elected or appointed;

(iv) the term of office of members and the chairman;

(v) the restrictions and conditions subject to which the township committee may perform its functions; and

(vi) the procedure of the township committee.

(4) The Government may, by notification, direct that any of the provisions of this Act or of the Madras District Municipalities Act, 1920 (Madras Act V of 1920), or of any rules made thereunder or of any other enactment for the time being in force elsewhere in the State of Madras, but not in the village or town or specified part thereof referred to in sub-section (1), shall apply to that village, town or part to such extent and subject to such modifications, additions and restrictions as may be specified in the notification.



5. *Constitution of certain town panchayat areas as municipalities.*—(1) The Government may, by notification, direct that any panchayat town with a population estimated at not less than twenty thousand and with an estimated annual income of not less than one lakh of rupees be constituted as or included in a municipality for the purposes of the Madras District Municipalities Act, 1920 (Madras Act V of 1920), with effect on and from such date as may be specified in the notification :

Provided that before issuing a notification under this subsection the panchayat concerned shall be given a reasonable opportunity for showing cause against such proposal.

(2) The Government may, on an application from the panchayat concerned, by notification direct that any local area in which a town panchayat exercises jurisdiction with a population of less than twenty thousand, but has an annual income exceeding one lakh of rupees be constituted as or included in a municipality for the purposes of the Madras District Municipalities Act, 1920 (Madras Act V of 1920), with effect on and from such date as may be specified in the notification :

Provided that the Government shall not so direct if the panchayat union council exercising jurisdiction over the area concerned objects to the issue of such direction and the Government are of opinion that the objection is well founded.

(3) If any local area in which this Act is in force is constituted as or included in a municipality as aforesaid—

(a) the Government may pass such orders as they may deem fit for the transfer to the council of such municipality or for the disposal otherwise of the assets of or institutions belonging to the panchayat in the local area and for the discharge of the liabilities, if any, of such panchayat relating to such assets or institutions; and

(b) the members of the panchayat holding office on the date of the constitution or inclusion aforesaid shall be deemed to be the elected members of the council of the municipality aforesaid under the Madras District Municipalities Act, 1920 (Madras Act V of 1920), and such members shall continue to hold office up to such date as the Government may, by notification, fix in this behalf, or in case no such date is fixed, up to the date on which their term of office would expire under the said Act, if they had been elected members of the council of the municipality aforesaid.

6. *Extension of provisions of the Madras District Municipalities Act, 1920, or of any rules made thereunder.*—(1) The Inspector may, whether at the request of the panchayat or otherwise, by notification, declare that any of the provisions of the Madras District Municipalities Act, 1920 (Madras Act V of 1920), or of any rules made thereunder, shall be extended



to, and be in force in, the village or town or any specified area therein.

(2) The provisions so notified shall be construed with such alterations (not affecting the substance) as may be necessary or proper for the purpose of adapting them to the village or town or specified area therein.

(3) Without prejudice to the generality of the foregoing provision, all references, in the provisions so notified, to a municipal council or the chairman or the executive authority thereof shall be construed as references to the panchayat or the president or the executive authority thereof, all references to any officer or servant of a municipal council as references to the corresponding officer or servant of the panchayat, and all references to the municipal limits as references to the limits of the village or town or specified area therein, as the case may be.

7. *Formation of panchayat unions.*—(1) The Government may, from time to time, publish a notification of their intention—

(a) to declare any local area forming a development block for the purposes of the National Extension Service Scheme of Community Development to be a panchayat development block; and

(b) to constitute for every such panchayat development block a panchayat union.

(2) Any inhabitant of a local area in respect of which any such notification has been published may submit his objection in writing to anything contained in the notification to the Government within six weeks from the publication of the notification and the Government shall take all such objections into consideration.

(3) After the expiry of six weeks from the publication of the notification and after considering the objections, if any, which have been submitted, the Government may, by notification—

(a) declare the local area to be a panchayat development block;

(b) declare the said panchayat development block to be a panchayat union; and

(c) specify the name of the panchayat union.

(4) The Government may, by notification—

(i) exclude from a panchayat development block any village or town comprised therein, or

(ii) include in a panchayat development block any area contiguous to it, or

(iii) cancel or modify a notification issued under subsection (3), or

(iv) alter the name of a panchayat union.



(5) Before issuing a notification under sub-section (4), the Government shall consult the District Development Council concerned, and give the panchayat union council or panchayat union councils and the panchayat or panchayats which will be affected by the issue of such notification a reasonable opportunity for showing cause against the proposal and shall consider their explanations and objections, if any.

(6) The Government may pass such orders as they may deem fit—

(a) for the disposal of the assets of or institutions belonging to the panchayat union council which has ceased to exist, and for the discharge of the liabilities, if any, of such panchayat union council relating to such assets or institutions, or

(b) for the disposal of any part of the assets of or institutions belonging to a panchayat union council which has ceased to exercise jurisdiction over any panchayat development block and for the discharge of the liabilities, if any, of the panchayat union council relating to such assets or institutions.

An order made under this sub-section may contain such supplemental, incidental and consequential provisions as the Government may deem necessary, and in particular may direct—

(i) that any tax, fee or other sum due to the panchayat union council or where a panchayat union council has ceased to exercise jurisdiction over any panchayat development block, such tax, fee or other sum due to the panchayat union council as relates to that block shall be payable to such authorities as may be specified in the order;

(ii) that appeals, petitions or other applications with reference to any such tax, fee or sum which are pending on the date on which the panchayat union council ceased to exist, or as the case may be, on the date on which the panchayat union council ceased to exercise jurisdiction over the panchayat development block, shall be disposed of by such authorities as may be specified in the order.

#### CONSTITUTION OF PANCHAYATS AND PANCHAYAT UNION COUNCILS.

8. *Constitution of panchayats for villages and towns and their incorporation.*—(1) A panchayat shall be constituted for each village and for each town with effect from such date as may be specified in the notification issued in that behalf by the Inspector.

(2) Subject to the provisions of this Act, the administration of the village or town shall vest in the panchayat but the panchayat shall not be entitled to exercise functions expressly assigned by or under this Act or any other law to its president or executive authority or to any panchayat union council or any other authority.



(3) Every panchayat shall be a body corporate by the name of the village or town specified in the notification issued under section 3, shall have perpetual succession and a common seal, and, subject to any restriction or qualification imposed by or under this Act or any other law, shall be vested with the capacity of suing or being sued in its corporate name, of acquiring, holding and transferring property, movable or immovable, of entering into contracts, and of doing all things necessary, proper or expedient for the purposes for which it is constituted.

9. *Alteration of classification of towns and villages.*—(1) The Government may alter any classification notified under sub-section (1) of section 3, if in their opinion the town or village satisfies or ceases to satisfy the conditions referred to in that sub-section.

(2) Any decision made by the Government under this section shall not be questioned in a Court of Law.

10. *Strength of a panchayat.*—(1) The total number of members of a panchayat shall be notified by the Inspector in accordance with such scale as may be prescribed with reference to population.

(2) The Inspector may, from time to time, by notification, alter the total number of members of a panchayat notified under sub-section (1).

(3) The number notified under sub-section (1) or the number as altered by notification under sub-section (2) shall not be less than five or more than fifteen :

Provided that the strength of the panchayat as notified under sub-section (1) or as altered by notification under sub-section (2) shall be deemed to be increased by one in case a member is co-opted under section 15, sub-section (4).

11. *Constitution of panchayat union councils for panchayat unions and their incorporation.*—(1) A panchayat union council shall be constituted for each panchayat union with effect from such date as may be specified in the notification issued in that behalf by the Government.

(2) Subject to the provisions of this Act, the administration of the panchayat union shall vest in the panchayat union council but the panchayat union council shall not be entitled to exercise functions expressly assigned by or under this Act or any other law to its chairman or the commissioner or to the panchayat or any other authority :

Provided that if and so long as there is no panchayat in any part of a panchayat union, the panchayat union council shall exercise all the powers including the power of taxation, discharge the duties, perform the functions and be credited with the receipts and debited with the charges of the panchayat, and the chairman and the commissioner of the panchayat union council shall exercise the powers, discharge the duties



and perform the functions of the president and the executive authority respectively in such part of the panchayat development block.

(3) Every panchayat union council shall be a body corporate by the name of the panchayat union specified in the notification issued under section 7, shall have perpetual succession and a common seal, and, subject to any restriction or qualification imposed by or under this Act or any other law, shall be vested with the capacity of suing or being sued in its corporate name, of acquiring, holding and transferring property, movable or immovable, of entering into contracts, and of doing all things necessary, proper or expedient for the purposes for which it is constituted.

12. *Strength of a panchayat union council.*—(1) Every panchayat and every township committee constituted under this Act in a panchayat union shall elect to the panchayat union council in the prescribed manner one person from among its members :

Provided that if among the persons so elected there are no women or members of the Scheduled Castes or the number whether of women or of members of the Scheduled Castes is less than three, the panchayat union council may co-opt such number of women or members of the Scheduled Castes as may be necessary to ensure that the council includes not less than three women and three members of the Scheduled Castes.

(2) A member of the State Legislative Assembly representing a constituency comprising the whole or any part of a panchayat development block and any member of the State Legislative Council residing in a panchayat development block shall be entitled to take part in the proceedings of the council but shall not be entitled to vote or to be elected as the chairman or vice-chairman of the council.

13. *Repeal of Madras Acts XIV of 1920, X of 1950, XXX of 1955 and XIII of 1957.*—With effect on and from such date as may be specified in the notification constituting a panchayat union council under this Act—

(i) the Madras District Boards Act, 1920 (Madras Act XIV of 1920), the Madras Village Panchayats Act, 1950 (Madras Act X of 1950), the Madras Land Revenue (Additional Surcharge) Act, 1955 (Madras Act XXX of 1955), and the Madras District Boards (Amendment) Act, 1957 (Madras Act XIII of 1957), shall stand repealed in the panchayat development block concerned and such panchayat development block shall cease thereafter to be included within the jurisdiction of any district board;

(ii) the Special Officer appointed for the district board under the Madras District Boards Act, 1920 (Madras Act XIV of 1920), having jurisdiction over the panchayat development block shall cease to exercise jurisdiction over that block ;



(iii) all elementary schools maintained by any panchayat or district board immediately before the said date in the panchayat development block together with the assets and liabilities appertaining to such schools shall on and from the said date stand transferred to and be vested in the panchayat union council;

(iv) every district road, district choultry, district dispensary and district market shall vest in the panchayat union council concerned;

(v) save as provided in clause (vi) all property and all rights of whatever kind used, enjoyed or possessed by and all interests of whatever kind owned by or vested in or held in trust by or for the district board constituted under the Madras District Boards Act, 1920 (Madras Act XIV of 1920), as well as all liabilities legally subsisting against such boards shall so far as such property, rights, interests and liabilities are relatable to the area which is declared to be a panchayat development block and subject to such directions as the Government may by general or special order give in this behalf pass to the panchayat union council.

*Explanation.*—All arrears of taxes, fees or other sums due to a district board may be recovered by the panchayat union council.

(vi) (a) all rest-houses and travellers' bungalows which vest in the district board or in the panchayat shall stand transferred to and vest in the Government;

(b) every hospital shall stand transferred to and vest in the Government;

(c) all secondary, vocational and industrial schools maintained by any district board together with the assets and liabilities appertaining to such schools, as and when notified by the Government, shall stand transferred to and be vested in such authority as may be specified by the Government by general or special order.

#### ELECTIONS AND TERM OF OFFICE OF MEMBERS.

14. *Election of members.*—The members of the panchayat shall be elected in such manner as may be prescribed :

Provided that no person shall be eligible to be elected or co-opted under this Act as a member of more than one panchayat.

15. *Reservation of seats for members of Scheduled Castes and co-optation of women.*—(1) In every panchayat, the Inspector may, subject to such rules as may be prescribed, by notification, reserve such number of seats, if any, as he thinks fit for the members of the Scheduled Castes, with due regard to their population in the village or town.



(2) Any reservation made under sub-section (1) shall have effect only until the first ordinary elections to the panchayat after the expiration of a period of ten years from the commencement of the Madras Village Panchayats Act, 1950 (Madras Act X of 1950).

(3) Nothing contained in sub-section (1) shall be deemed to prevent members of the Scheduled Castes for whom seats have been reserved in any panchayat, from standing for election to the non-reserved seats in the panchayat.

(4) Every panchayat shall be entitled to co-opt to itself one woman whose name appears in the electoral roll for the panchayat, if there is no elected woman member in that panchayat.

16. *Division into wards.*—For the purpose of electing members to a panchayat, the Inspector shall, after consulting the panchayat if any by notification, divide the village or town into wards and determine the number of members to be returned by each ward in accordance with such scale as may be prescribed.

17. *Term of office of members.*—(1) The term of office of the members of every panchayat who are elected at ordinary elections shall, save as otherwise expressly provided in, or may be prescribed under this Act, be five years beginning at noon on the day on which the vacancies occur :

Provided that the Inspector may, by notification, for sufficient cause which shall be stated therein, direct that the term of office of the members of any panchayat as a whole be extended or reduced by such period not exceeding three months as may be specified in the notification.

(2) Ordinary vacancies in the office of an elected member of a panchayat shall be filled at ordinary elections which shall be fixed by the election authority to take place on such day or days within three months before the occurrence of the vacancies, as he things fit :

Provided that the Government may for sufficient cause direct or permit the holding of any ordinary election after the occurrence of the vacancy.

(3) (a) Every casual vacancy in the office of an elected member of a panchayat shall be reported by the executive authority within such time as may be prescribed.

(b) A member of a panchayat elected in a casual vacancy shall enter upon office forthwith, but shall hold office only so long as the member in whose place he is elected would have been entitled to hold office if the vacancy had not occurred.

(c) Unless the Inspector otherwise directs, no casual election shall be held to a panchayat within six months before the date of retirement of its members by efflux of time.



(4) Where the number of members of a panchayat is increased, the members elected for the additional seats or the members elected in their places in casual vacancies shall hold office until the date on which the members elected to the original seats at the ordinary elections immediately preceding, will vacate office.

(5) The person co-opted under sub-section (4) of section 15, shall hold office only for such period for which she would have been entitled to hold office if she had been elected at an ordinary election or at a casual election as the case may be.

18. *Panchayat to elect members in certain cases and the term of office of such members.*—(1) If at an ordinary or casual election, no person is elected to fill any vacancy, a fresh election shall be held on such day as the Inspector may fix.

(2) If, at such fresh election also, no person is elected to fill the vacancy or any of the vacancies, as the case may be, the panchayat may, in the manner prescribed, elect a qualified person to fill such vacancy.

(3) The term of office of a member of a panchayat elected under this section, shall expire at the time at which it would have expired if he had been elected at the ordinary or casual election, as the case may be.

19. *Tenure of members of panchayat union council and filling up of seats.*—(1) The term of office of members of every panchayat union council shall, save as otherwise expressly provided in this Act, be five years beginning on such date as may be notified by the Inspector in the case of each panchayat union council.

(2) Ordinary vacancies in the office of a member of a panchayat union council shall be filled at ordinary elections which shall be fixed by the Inspector to take place on such day or days as may be notified by the Inspector in this behalf in the case of each panchayat union council :

Provided that the Government may for sufficient reasons, direct, from time to time, the postponement or alteration of the date of an ordinary election or any stage thereof.

(3) A member of a panchayat union council elected at an ordinary election held after the occurrence of a vacancy shall enter upon office forthwith, but shall hold office only so long as he would have been entitled to hold office if he had been elected before the occurrence of the vacancy.

(4) A casual vacancy in the office of a member of a panchayat union council shall be filled at a casual election which shall be fixed by the Inspector to take place as soon as may be after the occurrence of the vacancy :

Provided that no casual election shall be held to fill a vacancy occurring within six months before the ordinary date



of retirement and that such vacancy shall be filled at the next ordinary election.

(5) A member of a panchayat union council elected at a casual vacancy shall enter upon office forthwith, but shall hold office so long only as the member in whose place he is elected would have been entitled to hold office if the vacancy had not occurred.

(6) If, at an ordinary or casual election held under this section, no member is elected, a fresh election shall be held on such date as the Inspector may fix.

(7) If, at such fresh election, no member is elected, the panchayat union council may, in the manner prescribed, elect a qualified person to fill the vacancy.

(8) The term of office of a member elected under sub-section (6) or (7) or co-opted under section 12 shall expire at the time at which it would have expired if he had been elected at the ordinary or casual election as the case may be.

20. *Preparation and publication of electoral roll and qualifications for inclusion therein.*—(1) Every person whose name is included in such part of the electoral roll for any Assembly constituency as relates to the village or town or any portion of the said village or town shall be entitled to be included in the electoral roll for the panchayat, and no other person shall be entitled to be included therein.

*Explanation.*—Where, in the case of an Assembly constituency, there is no distinct part of the electoral roll relating to the village or town, all persons whose names are entered in such roll under the registration area comprising the village or town and whose addresses as entered in such roll are situated in the village or town shall be entitled to be included in the electoral roll for the panchayat prepared for the purposes of this Act.

(2) As soon as may be, after the electoral rolls for the Assembly constituencies which consist of, or comprise, the village or town or any portion of the said village or town have been published, revised or amended in pursuance of the Representation of the People Act, 1950 (Central Act XLIII of 1950), any person authorized by the prescribed authority in this behalf shall publish in such manner as the Government may direct, the portions of the said rolls which relate to the village or town or of the alterations therein, as the electoral roll for the panchayat or as alteration to such roll, as the case may be.

(3) The electoral roll for the panchayat shall be divided into separate parts for each ward.

(4) Where, after the electoral roll for a panchayat or any alterations thereto have been published under sub-section (2) the village or town is divided into wards for the first time or the division of the village or town into wards is altered or the



limits of the village or town are varied, the prescribed authority shall, in order to give effect to the division of the village or town into wards or to the alteration of the wards or to the variation of the limits, as the case may be, authorize a re-arrangement and republication of the electoral roll for the panchayat or any part of such roll, in such manner as the Government may direct.

(5) Every person whose name appears in the electoral roll for the panchayat shall, so long as it remains in force and subject to any revision thereof which might have taken place and subject also to the other provisions of this Act, be entitled to vote at an election; and no person whose name does not appear in such roll shall vote at an election.

*Explanation.*—In this section and section 21, the expression “Assembly constituency” shall mean a constituency provided by law for the purpose of elections to the Madras Legislative Assembly.

21. *Power to correct electoral roll.*—Notwithstanding anything contained in section 20, the prescribed authority may, after making such inquiry as he thinks fit, publish in such manner as the Government may direct, amendments to the electoral roll for any panchayat for the purpose of bringing it into accord with the electoral roll for the relevant Assembly constituency.

#### QUALIFICATION, DISQUALIFICATION, ETC., OF MEMBERS.

22. *Qualification of candidates.*—No person shall be qualified for election as a member of a panchayat or panchayat union council unless his name appears on the electoral roll of the panchayat.

23. *Disqualification of officers and servants of Government and local bodies.*—(1) No village headman, karnam, or village servant and no other officer or servant of the State or Central Government or of a panchayat, panchayat union council, municipal council or the Corporation of Madras shall be qualified for election as a member or for holding office as a member.

(2) If any question arises either before or after an election, whether any person is or is not disqualified under this section, the question shall be referred to the Government whose decision shall be final.

24. *Disqualification of persons convicted of election offences.*—Every person convicted of an offence punishable under Chapter IX-A of the Indian Penal Code (Central Act XLV of 1860) or under any law or rule relating to the infringement of the secrecy of an election, shall be disqualified from voting or from being elected in any election to which this Act



applies or from holding the office of member of a panchayat or of a panchayat union council for a period of five years from the date of his conviction.

25. *Disqualifications of candidates.*—(1) A person who has been sentenced by a criminal court to imprisonment for any offence involving moral delinquency (such sentence not having been reversed), shall be disqualified for election as a member while undergoing the sentence and for five years from the date of the expiration thereof.

(2) A person shall be disqualified for election as a member if, at the date of nomination or election, he is—

(a) of unsound mind, a deaf-mute or suffering from leprosy;

(b) an applicant to be adjudicated an insolvent or an undischarged insolvent;

(c) interested in a subsisting contract made with, or any work being done for, the panchayat or the panchayat union council except as a shareholder (other than a director) in a company;

(d) employed as paid legal practitioner on behalf of the panchayat or panchayat union council or as legal practitioner against the panchayat or the panchayat union council;

(e) an honorary Magistrate under the Code of Criminal Procedure, 1898 (Central Act V of 1898), with jurisdiction over any part of the village or town;

(f) already a member of the panchayat or the panchayat union council, as the case may be, whose term of office will not expire before his fresh election can take effect or has already been elected as a member of the panchayat or the panchayat union council, as the case may be, whose term of office has not yet commenced; or

(g) in arrears of any kind due by him (otherwise than in a fiduciary capacity) to the panchayat or the panchayat union council up to and inclusive of the previous year, in respect of which a bill or notice has been duly served upon him and the time, if any, specified therein for payment has expired.

26. *Disqualifications of members.*—Subject to the provisions of section 28, a member shall cease to hold office as such if he—

(a) is sentenced by a criminal court to such punishment and for such offence as is described in sub-section (1) of section 25;



(b) becomes of unsound mind or a deaf-mute or suffers from leprosy;

(c) applies to be adjudicated, or is adjudicated, an insolvent;

(d) acquires any interest in any subsisting contract made with, or work being done for, the panchayat or the panchayat (union council except as a shareholder other than a director) in a company or except as permitted by rules made under this Act;

(e) is employed as paid legal practitioner on behalf of the panchayat or the panchayat union council or accepts employment as legal practitioner against the panchayat or the panchayat union council;

(f) is appointed as an officer or servant under this Act;

(g) is appointed as an honorary Magistrate under the Code of Criminal Procedure, 1898 (Central Act V of 1898), with jurisdiction over any part of the village or town;

(h) ceases to reside in the village or town as the case may be;

(i) fails to pay arrears of any kind due by him (otherwise than in a fiduciary capacity) to the panchayat or the panchayat union council within three months after a bill or notice has been served upon him in pursuance of rules made under this Act, or where in the case of any arrear, such rules do not require the service of any bill or notice, within three months after a notice requiring payment of the arrear (which notice it shall be the duty of the executive authority of the panchayat or the commissioner to serve at the earliest possible date) has been duly served upon him by the executive authority or commissioner; or

(j) absents himself from the meetings of the panchayat or the panchayat union council, as the case may be, for a period of three consecutive months reckoned from the date of the commencement of his term of office, or of the last meeting which he attended, or of his restoration to office as member under section 27, sub-section (1), as the case may be, or if within the said period, less than three meetings have been held, absent himself from three consecutive meetings held after the said date :

Provided that no meeting from which a member absented himself shall be counted against him under this clause if—

(i) due notice of that meeting was not given to him;

or

(ii) the meeting was held after giving shorter notice than that prescribed for an ordinary meeting; or

(iii) the meeting was held on a requisition of members.



27. *Restoration of members to office.*—(1) Where a person ceases to be a member under section 24 or clause (a) of section 26, he shall be restored to office for such portion of the period for which he was elected, as may remain unexpired at the date of such restoration, if and when the sentence is annulled on appeal or revision; and any person elected to fill the vacancy in the interim shall, on such restoration, vacate office.

(2) Where a person ceases to be a member under clause (j) of section 26, the executive authority or the commissioner shall at once intimate the fact in writing to such person and report the same to the panchayat or the panchayat union council as the case may be at its next meeting. If such person applies for restoration *suo motu* to the panchayat or the panchayat union council, as the case may be, on or before the date of its next meeting or within fifteen days of the receipt by him of such intimation, the panchayat or the panchayat union council, as the case may be, may at the meeting next after the receipt of such application restore him to his office of member :

Provided that a member shall not be so restored more than twice during his term of office.

28. *Authority to decide questions of disqualification of members.*—(1) Whenever it is alleged that any person who has been elected as a member of a panchayat or panchayat union council is not qualified or has become disqualified under section 22, 24, 25 or 26 and such person does not admit the allegation, or whenever any member is himself in doubt whether or not he is not qualified or has become disqualified under section 24, 25 or 26, such member or any other member may, and the executive authority or the commissioner as the case may be shall, on the direction of the panchayat or panchayat union council or of the Inspector, apply to the prescribed judicial authority whose decision shall be final.

(2) Pending such decision, the member shall be entitled to act as if he is qualified or were not disqualified.

#### PRESIDENT AND VICE-PRESIDENT.

29. *President and vice-president of panchayat.*—There shall be a president and a vice-president for every panchayat.

30. *Election of president and the vice-president.*—The president and the vice-president shall be elected by the panchayat from among its members in accordance with such procedure as may be prescribed.

31. *Procedure when no president or vice-president is elected.*—If at an election held under section 30, no president or vice-president is elected, a fresh election shall be held for electing the president or vice-president as the case may be.



**32. Cessation of office of president and vice-president.—**

(1) The president shall cease to hold office as such on the expiry of his term of office as a member or on his otherwise ceasing to be a member.

(2) The vice-president shall cease to hold office as such, on the expiry of his term of office as a member or on his otherwise ceasing to be a member or on his election as president.

(3) The president or vice-president shall cease to hold office as such on his election as chairman or vice-chairman of any panchayat union council.

**33. Functions of the president.—**(1) The president shall—

(a) convene the meetings of the panchayat;

(b) have full access to the records of the panchayat;

(c) discharge all the duties specifically imposed and exercise all the powers conferred on the president by this Act.

(2) No official correspondence between the panchayat and the Government shall be conducted except through the president. The president shall be bound to transmit communications addressed through him by the executive officer to the Government or by the Government to the executive officer.

**34. Devolution and delegation of president's functions and filling up of vacancies in the office of president.—**(1) When the office of president is vacant, the vice-president shall exercise the functions of the president until a new president is declared elected and assumes office.

(2) If the president has been continuously absent from jurisdiction for more than thirty days or is incapacitated, his functions during such absence or incapacity shall, except in such circumstances as may be prescribed, devolve on the vice-president.

(3) When the office of president is vacant or the president has been continuously absent from jurisdiction for more than thirty days or is incapacitated and there is either a vacancy in the office of vice-president or the vice-president has been continuously absent from jurisdiction for more than thirty days or is incapacitated, the functions of the president shall devolve on a member of the panchayat appointed by the Inspector in this behalf, and if no member of the panchayat is available for such appointment, on such person as may be appointed by the Inspector in this behalf.

The member of the panchayat or the person so appointed (who shall be styled the temporary president) shall perform the functions of the president subject to such restrictions and conditions as may be prescribed, until a new president or vice-president is declared elected and assumes office, or either the president or the vice-president returns to jurisdiction or recovers from his incapacity, as the case may be.



(4) Any vacancy in the office of president shall be reported to the election authority by such person and within such time as may be prescribed and the election authority shall arrange for the election of the president.

(5) The reference to the president's functions in sub-sections (1), (2) and (3) shall, where he is also the executive authority, be deemed to include a reference to his functions as executive authority.

(6) The president shall have power to control and revise the exercise or discharge of any functions devolving on the vice-president under sub-section (2).

35. *Delegation of functions of president.*—Subject to such restrictions and control as may be prescribed, the president may by an order in writing delegate any of his functions as such to the vice-president and in the absence of the vice-president to any other member, provided that the exercise or discharge of any functions so delegated shall be subject to such further restrictions and conditions as may be laid down by the president and shall also be subject to his control and revision :

Provided that he shall not delegate any functions which the panchayat expressly prohibits him to delegate.

#### CHAIRMAN AND VICE-CHAIRMAN.

36. *Chairman and vice-chairman of panchayat union councils.*—(1) There shall be a chairman and a vice-chairman for every panchayat union council.

(2) The chairman and the vice-chairman shall be elected by the panchayat union council from among its members in accordance with such procedure as may be prescribed. If at an election held under this sub-section, no chairman or vice-chairman is elected, a fresh election shall be held for electing the chairman or vice-chairman, as the case may be.

(3) The chairman shall—

(a) convene the meetings of the panchayat union council; and

(b) discharge all the duties specifically imposed and exercise all the powers conferred on the chairman by this Act and the rules made thereunder.

(4) The chairman shall have full access to all the records of the panchayat union council and no official correspondence between the council and the Government shall be conducted except through the chairman. The chairman shall be bound to transmit communications addressed through him by the Commissioner to the Government or by the Government to the Commissioner.

(5) The chairman shall, by virtue of his office, be a member of every committee of the panchayat union council



(6) A chairman shall be deemed to have vacated his office on the expiry of his term of office as a member or on his otherwise ceasing to be a member.

(7) A vice-chairman shall be deemed to have vacated his office— . .

(i) on the expiry of his term of office as a member or on his otherwise ceasing to be a member, or

(ii) on his election as chairman.

37. *Devolution and delegation of chairman's functions and filling up of vacancies in the office of chairman.*—(1) When the office of chairman is vacant, the vice-chairman shall exercise the functions of the chairman until a new chairman assumes office.

(2) When the office of chairman is vacant and there is either a vacancy in the office of vice-chairman, or the vice-chairman has been continuously absent from jurisdiction for more than thirty days or is incapacitated, the Revenue Divisional Officer shall, after giving notice of not less than seven clear days to the members convene a meeting for the election of a chairman and until a new chairman or vice-chairman is elected and assumes office, or the vice-chairman returns to jurisdiction or recovers from his incapacity as the case may be, the Revenue Divisional Officer shall, notwithstanding anything contained in this Act, or in the rules or notifications issued thereunder, be ex-officio member and chairman of the panchayat union council.

(3) An out-going chairman or vice-chairman is eligible for re-election.

(4) The chairman may, by an order in writing, delegate any of his functions to the vice-chairman :

Provided that he shall not delegate any functions which the panchayat union council expressly forbids him to delegate.

(5) If the chairman has been continuously absent from jurisdiction for more than thirty days or is incapacitated, his functions during such absence or incapacity shall, except in such circumstances as may be prescribed, devolve on the vice-chairman.

(6) If the vice-chairman also has been continuously absent from jurisdiction for more than thirty days or is incapacitated or if the office of vice-chairman is vacant, the chairman may, by an order in writing, delegate any of his functions to any member of the panchayat union council who shall be styled "chairman-delegate" during the period of delegation :



Provided that—

(i) when an order of delegation made under this sub-section is in force, no further order of delegation of any function shall be made in favour of any member other than the member in whose favour the order in force was made;

(ii) no delegation under this sub-section shall be made for any period exceeding in the aggregate 90 days in any year without the special sanction of the panchayat union council; and

(iii) every order made under this sub-section shall be communicated to the panchayat union council at its next meeting.

(7) The exercise or discharge of any functions delegated under this section shall be subject to such restrictions, limitations and conditions as may be laid down by the chairman.

#### MEMBERS.

38. *Rights of individual members.*—(1) Any member may call the attention of the executive authority or the commissioner as the case may be to any neglect in the execution of panchayat or panchayat union work, to any waste of panchayat or panchayat union property or to the wants of any locality, and may suggest any improvements which may appear desirable.

(2) Every member shall have the right to move resolutions and to interpellate the president or chairman on matters connected with the administration of the panchayat or panchayat union council as the case may be, subject to such rules as may be prescribed.

(3) Every member shall have access during office hours to the records of the panchayat or the panchayat union council as the case may be after giving due notice to the executive authority or commissioner, provided that the executive authority or commissioner may, for reasons given in writing, forbid such access.

39. *No president, vice-president, chairman, vice-chairman or member to receive remuneration.*—No president, vice-president, chairman, vice-chairman or member shall receive, or be paid from the funds at the disposal of or under the control of the panchayat or panchayat union council any salary or other remuneration for services rendered by him whether in his capacity as such or in any other capacity.

#### THE EXECUTIVE OFFICER.

40. *Appointment of executive officers for certain panchayats.*—(1) A whole-time executive officer shall be appointed by the Government for every town panchayat.



(2) In the case of every village panchayat, the president of the panchayat shall, subject to such rules as may be prescribed, perform the functions of the executive officer.

(3) Save as otherwise prescribed, no executive officer appointed under sub-section (1) shall undertake any work unconnected with his office without the sanction of the panchayat and the Government.

(4) The panchayat shall pay the executive officer such salary and allowances as may from time to time be fixed by the Government.

(5) The panchayat shall also make—

(a) if the executive officer is in the service of the Government such contribution towards his leave allowances, pension and provident fund as may be required by the conditions of his service under the Government to be made by him or on his behalf;

(b) if the executive officer is not in the service of the Government such contribution towards his leave allowances, pension and provident fund as may be prescribed in this behalf.

(6) The Government shall have power to regulated the classification, methods of recruitment, conditions of service, pay and allowances, and discipline and conduct of the executive officers appointed under sub-section (1).

41. *Functions of executive officer.*—The executive officer shall—

(a) have the right to attend the meetings of the panchayat or of any committee thereof and take part in the discussions thereat but without the right to move any resolution or to vote;

(b) attend any meeting of the panchayat or of any committee thereof if required to do so by the presiding officer.

42. *Devolution of functions of executive officer.*—Subject to such restrictions and control as may be prescribed, when the executive officer is unable to discharge his functions owing to absence, illness or any other cases, the president shall discharge his functions until the date on which the executive officer resumes his duties.

#### POWERS AND DUTIES OF THE EXECUTIVE AUTHORITY.

43. *Functions of executive authority.*—The executive authority shall—

(a) carry into effect the resolutions of the panchayat :

Provided that where the president considers that a resolution has not been legally passed or is in excess of the powers conferred by this Act or that, if carried out, it is likely



to endanger human life or health, or the public safety, the executive authority shall refer the matter to the Government for orders and their decision shall be final;

(b) control all the officers and servants of the panchayat;

(c) discharge all the duties specifically imposed and exercise all the powers conferred on the executive authority by or under this Act and subject to all restrictions and conditions imposed by or under this Act, exercise the executive power for the purpose of carrying out the provisions of this Act and be directly responsible for the due fulfilment of the purposes thereof.

#### THE COMMISSIONER.

44. *Commissioners.*—(1) A commissioner shall be appointed by the Government in the case of each panchayat union council. Such commissioner shall ordinarily be the Development Officer appointed in pursuance of the National Extension Service Scheme of Community Development for the panchayat development block.

(2) No recovery shall be made from the panchayat union council towards the salary and allowances paid to any commissioner or towards his leave allowances, pension and provident fund.

(3) The Government shall have power to regulate the methods of recruitment, conditions of service, pay and allowances and discipline and conduct of the commissioners appointed under sub-section (1).

(4) The commissioner shall—

(a) have the right to attend the meetings of the panchayat union council or of any committee thereof and take part in the discussions thereat, but without the right to move any resolution or to vote;

(b) attend any meeting of the panchayat union council or of any committee thereof if required to do so by the chairman;

(c) carry into effect the resolutions of the panchayat union council;

(d) furnish to the panchayat union council such periodical reports regarding the progress made in carrying out the resolutions of that body and in the collection of taxes as the council may direct;

(e) control all the officers and servants of the panchayat union council;

(f) perform all the duties specifically imposed and exercise all the powers conferred on the commissioner by this Act and subject, whenever it is hereinafter expressly so provided, to the sanction of the panchayat union council, and



subject also to all other restrictions, limitations and conditions hereinafter imposed, exercise the executive power for the purpose of carrying out the provisions of this Act and be directly responsible for the due fulfilment of the purposes of this Act.

(5) Notwithstanding anything contained in sub-section (2) of section 11 and subject to all other provisions of this Act and the rules made thereunder, the panchayat union council shall have power to issue such specific directions as it may think fit regarding the performance by the commissioner of any of the functions assigned to him under this Act :

Provided that where such directions relate to any National Extension Service Scheme of Community Development or any other scheme specially entrusted by the Government to the panchayat union council the directions issued by the council shall be in conformity with the terms and conditions of such entrustment.

(6) Subject to any directions given or restrictions imposed by the Government or the panchayat union council, the commissioner may, by an order in writing, delegate any of his functions to any officer or servant of the panchayat union council or to any servant of the Government. The exercise or discharge of any functions so delegated shall be subject to such restrictions, limitations and conditions as may be laid down by the commissioner and shall also be subject to his control and revision.

45. *Emergency powers of executive authority and commissioner.*—The executive authority or the commissioner may in cases of emergency direct the execution of any work or the doing of any act which requires the sanction of the panchayat or the panchayat union council as the case may be and the immediate execution or doing of which is, in his opinion, necessary for the health or safety of the public, and may direct that the expenses of executing such work or doing such act shall be paid from the panchayat fund or the panchayat union fund as the case may be :

Provided that—

(a) he shall not act under this section in contravention of any order of the panchayat or the panchayat union council prohibiting the execution of any particular work or the doing of any particular act, and

(b) he shall report the action taken under this section and the reasons therefor to the panchayat or the panchayat union council at its next meeting.



## PROCEDURE

46. *Presidency at meetings of panchayats.*—(1) Every meeting of a panchayat shall be presided over by the president, in his absence, by the vice-president, and in the absence of both the president and the vice-president, by a member chosen by the members present at the meeting to preside for the occasion.

(2) The president shall preserve order and decide all points of order arising at or in connexion with meetings. There shall be no discussion on any point of order and the decision of the president on any point of order shall be final.

(3) A vice-president or member presiding for the occasion shall, for that meeting and during the period that he presides over it, have all the power of the president.

47. *Meetings of panchayat union councils.*—(1) Every panchayat union council shall meet at such times and places and shall, subject to the provisions of sub-section (2), observe such rules of procedure in regard to transaction of business at its meetings (including the quorum at meetings) as may be prescribed :

Provided that not more than sixty days shall elapse between any two meetings of the panchayat union council.

(2) Every meeting of a panchayat union council shall be presided over by the chairman, in his absence, by the vice-chairman, and in the absence of both the chairman and the vice-chairman by a member chosen by the members present at the meeting to preside for the occasion.

(3) The chairman shall preserve order and decide all points of order arising at or in connection with meetings. There shall be no discussion on any point of order and the decision of the chairman on any point of order shall be final.

(4) A vice-chairman or member presiding for the occasion shall, for that meeting and during the period that he presides over it, have all the powers of the chairman.

48. *Members when to abstain from taking part in discussion and voting.*—(1) No member shall vote on, or take part in the discussion of any question coming up for consideration at a meeting of the panchayat or panchayat union council or any committee if the question is one in which, part from its general application to the public he has any direct or indirect pecuniary interest by himself or his partner.

(2) The president or chairman as the case may be may prohibit any member from voting or taking part in the discussion of any matter in which he believes such member to have such interest, or he may require such member to absent himself during the discussion.



(3) Such member may challenge the decision of the president or chairman, who shall thereupon put the question to the meeting. The decision of the meeting shall be final.

(4) If the president or chairman is believed by any member present at the meeting to have any such pecuniary interest in any matter under discussion, he may, if a motion to that effect is carried, be required to absent himself from the meeting during such discussion.

(5) The member concerned shall not be entitled to vote on the question referred to in sub-section (3) and the president or chairman concerned shall not be entitled to vote on the motion referred to in sub-section (4).

*Explanation.*—The terms “president” and “chairman” in this section include a vice-president, vice-chairman, or member presiding for the occasion.

49. *Minutes of proceedings.*—A copy of the minutes of the proceedings at every meeting of a panchayat or panchayat union council as well as of all minutes of dissent in respect of such proceedings received from any member present at the meetings, within 48 hours of the close thereof, shall be submitted by the president or chairman as the case may be within three days of the date of the meeting to the Inspector :

Provided that the Inspector may direct that such minutes shall be submitted either generally or in any specified classes of cases to any officer empowered by him in this behalf.

50. *Power of panchayat and panchayat union council to call for records.*—A panchayat or a panchayat union council may require the executive authority or the commissioner as the case may be to produce any document which is in his custody and he shall, subject to such rules as may be prescribed, comply with every such requisition.

51. *Proceedings of panchayats, panchayat union councils and committees.*—(1) The proceedings of every panchayat and panchayat union council and of all committees thereof shall be governed by such rules as may be prescribed and by regulations, not inconsistent with such rules or the provisions of this Act, made by the panchayat or the panchayat union council as the case may be with the approval of the Inspector.

(2) The Inspector may remit for reconsideration and re-submission any regulation or part thereof to the panchayat or panchayat union council as the case may be :

Provided, however, that it shall be competent for the Inspector to add to, omit or alter any regulation which contravenes the provisions of this Act or the rules thereunder.

52. *Appointment of joint committees.*—(1) A panchayat may, and if so required by the Inspector shall, join with one, or more than one, other local authority in constituting a joint



committee for any purpose for which they are jointly responsible.

(2) The constitution, powers and procedure of a joint committee and the method of settling differences of opinion arising in connexion with the committee between the local authorities concerned shall be in accordance with such rules as may be prescribed.

53. *Committees.*—(1) (a) There shall be an Appointments Committee for every panchayat union, which shall be composed of the chairman of the panchayat union council, the commissioner and one member elected annually by the panchayat union council. The chairman of the panchayat union council shall be the chairman of the committee. Subject to the provisions of section 58, and to such rules as may be made by the Government in this behalf appointments to all posts under the panchayat union council the pay of which is debitable to the funds of the panchayat union council, shall be made with the prior approval of the committee.

(b) There shall be an Education Committee and a General Purposes Committee in every panchayat union. The panchayat union council may, and if so required by the Government, shall appoint such other committees as may be necessary for the efficient performance of its duties and functions under this Act. Each of the committees constituted under this sub-section shall consist of such number of members as may be specified by the council and shall include the chairman *ex-officio*. The members of each committee, other than the chairman, shall be elected by the members of the panchayat union council.

(2) The panchayat union council shall have the power to co-opt as members of any committee appointed under sub-section (1) such number of persons as are not members of the panchayat union council as it may think fit:

Provided that the number of members co-opted under this sub-section shall not exceed one-third of the total number of members of the council on the committee.

(3) Subject to such rules as may be made by the Government in this behalf, the panchayat union council shall have power, by regulations made from time to time, to determine the powers and duties of every committee constituted under sub-section (1).

#### ADMINISTRATION REPORTS.

54. *Administration reports of panchayats.*—(1) Every panchayat shall submit to the panchayat union council a report on its administration for each year as soon as may be after the close of such year and not later than the prescribed date, in such form, with such details, and through such authority as may be prescribed.



(2) The report shall be prepared by the executive authority and the panchayat shall consider it and forward the same to the panchayat union council with its resolution thereon.

*55. Administration reports of panchayat union councils.—*

(1) Every panchayat union council shall submit to the Collector a consolidate report on its administration and on the administration of all panchayats in the panchayat union for each year as soon as may be after the close of such year and not later than the prescribed date, in such form, with such details and through such authority as may be prescribed.

(2) The report shall be prepared by the commissioner and the panchayat union council shall consider it and forward the same to the Collector with its resolution thereon.

(3) The Collector shall prepare a general report on the administration of panchayat union councils and panchayats in the district, place the same before the District Development Council and submit the same to the Government with a copy of the resolution of the District Development Council, before such date as may be prescribed. He shall also send a copy of the report to the Inspector.

(4) The report and the resolution thereon shall be published in such manner as the Government may direct.

VALIDATION OF PROCEEDINGS.

*56. Acts of panchayats, panchayat union councils, etc., not to be invalidated by informality, vacancy, etc.—*No act of a panchayat or of a panchayat union council or of a committee thereof or of any person acting as president, vice-president, chairman, vice-chairman or member of such panchayat or panchayat union council or of a chairman or member of a committee shall be deemed to be invalid by reason only of a defect in the establishment of such panchayat or panchayat union council or committee, or on the ground that the president, vice-president, chairman, vice-chairman or member of such panchayat or panchayat union council or chairman or member of a committee was not entitled to hold or continue in such office by reason of any disqualification or by reason of any irregularity or illegality in his election, or by reason of such act having been done during the period of any vacancy in the office of president, vice-president, chairman, vice-chairman or member of such panchayat, panchayat union council or committee.

ESTABLISHMENT.

*57. Establishment of panchayats and panchayat union councils.—*(1) The sanction of the panchayat or the panchayat union council as the case may be shall be obtained for all



proposals for fixing or altering the number, designations and grades of its officers and servants and the salaries, fees and allowances payable to them.

(2) Such proposals shall be taken into consideration by the panchayat or panchayat union council as the case may be only at the instance of the executive authority or the commissioner and the panchayat or panchayat union council may sanction the proposal with or without modifications :

Provided that no proposal adversely affecting any officer or servant of the panchayat or panchayat union council who has been in the permanent service of the panchayat or panchayat union council for more than five years and is drawing a salary of not less than fifty rupees per mensem shall be considered except at a special meeting convened for the purpose and no such proposal shall be given effect to unless assented to by at least one-half of the members then on the panchayat or the panchayat union council.

(3) Notwithstanding anything contained in sub-sections (1) and (2), the Government in the case of panchayat union councils and the Inspector in the case of panchayats shall have power to fix or alter the number, designations and grades of and the salaries, fees and allowances payable to the officers and servants of any panchayat or panchayat union council or any class of such officers and servants; and it shall not be open to the panchayat or panchayat union council to vary the number, designations, grades, salaries, fees or allowances as so fixed or altered except with the previous sanction of the Government in the case of panchayat union councils and of the Inspector in the case of panchayats.

58. *Conditions of service of officers and servants.*—(1) The Government shall have power to make rules regarding the authorities who may appoint the officers and servants of panchayats and panchayat union councils other than the executive officers and commissioners and the classification, methods of recruitment, pay and allowances, discipline and conduct, and conditions of service of such officers and servants.

Such rules may provide for the constitution of any class of officers or servants of panchayats and panchayat union councils other than the executive officers and commissioners into a separate service for the whole or any part of the State.

(2) Subject to the provisions of this Act and any rules which the Government may make in this behalf, the panchayat union council may frame regulations in respect of officers and servants on the staff of the panchayat union council—

(a) fixing the amount and nature of the security to be furnished;

(b) prescribing educational and other qualifications;



(c) regulating the grant of leave, leave allowances, acting allowances and travelling allowances;

(d) regulating the grant of pensions and gratuities;

(e) establishing and maintaining provident funds and making contributions thereto compulsory;

(f) regulating conduct; and

(g) generally prescribing conditions of service :

Provided—

(i) that the amount of any leave, leave allowances, travelling allowances, pension or gratuity provided for in such regulations shall in no case without the special sanction of the Government exceed what would be admissible in the case of Government servants of similar standing and status;

(ii) that the conditions under which such allowances are granted or any leave, superannuation or retirement is sanctioned shall not without similar sanction be more favourable than those for the time being prescribed for such Government servants.

59. *Appointment of common officer.*—Two or more panchayats or two or more panchayat union councils may, subject to such rules as may be prescribed, and shall if so required by any authority empowered in this behalf by rules, appoint the same officer or servant to exercise or discharge any powers or duties of a similar nature for both or all of them.

60. *Transfer of officers and servants.*—(1) Any officer or servant of a panchayat (including the executive officer) may be transferred to the service of any panchayat union council or any other panchayat by the Inspector :

Provided that no officer or servant (other than the executive officer) shall be so transferred except after consulting the commissioner or the executive authorities concerned.

In making a transfer under this sub-section the Inspector may issue such general or special directions as may in his opinion be necessary for the purpose of giving due effect to such transfer.

(2) Notwithstanding anything contained in this Act or the Madras District Municipalities Act, 1920 (Madras Act V of 1920) any officer or servant of a panchayat union council (including the commissioner) may be transferred by the Government to the service of any other panchayat union council or any municipality constituted under the Madras District Municipalities Act, 1920 (Madras Act V of 1920) :



Provided that no officer or servant (other than the commissioner) shall be so transferred except after consulting the panchayat union councils or municipal councils concerned.

Any authority making a transfer under this sub-section may issue such general or special directions as may in its opinion be necessary for the purpose of giving due effect to such transfer.

61. *Power to punish officers and servants.*—Subject to such control as may be prescribed by the Government, the executive officer or the commissioner may censure, fine, withhold increments or promotion from, reduce to a lower rank in the seniority list, or to a lower post or time-scale or to a lower stage in a time-scale, suspend, remove or dismiss any officer or servant in the service of the panchayat or panchayat union council as the case may be for any breach of departmental rules or discipline, or for carelessness, unfitness, neglect of duty or other misconduct.

62. *Applicability of certain sections to public health establishment.*—The provisions of sections 57 to 61 shall also apply to the public health establishments of panchayats and panchayat union councils, notwithstanding anything contained in the Madras Public Health Act, 1939 (Madras Act III of 1939).

### CHAPTER III.—FUNCTIONS, POWERS AND PROPERTY OF PANCHAYATS AND PANCHAYAT UNION COUNCILS.

63. *Duty of panchayat to provide for certain matters.*—Subject to the provisions of this Act and the rules made thereunder, it shall be the duty of a panchayat, within the limits of its funds, to make reasonable provision for carrying out the requirements of the village or town in respect of the following matters, namely :—

(a) the construction, repair and maintenance of all village roads, that is to say, all public roads in the village or town (other than those classified as National Highways, State Highways, major district roads and panchayat union roads) and of all bridges, culverts, road-dams and causeways on such roads;

(b) the lighting of public roads and public places in built-up areas;

(c) the construction of drains and the disposal of drainage water and sullage;

(d) the cleansing of streets, the removal of rubbish heaps, jungle growth and prickly-pear, the filling in of disused wells, insanitary ponds, pools, ditches, pits or hollows, and other improvements of the sanitary condition of the village or town;



(e) the provision of public latrines and arrangements to cleanse latrines whether public or private;

(f) the opening and maintenance of burial and burning grounds; and

(g) the sinking and repairing of wells, the excavation, repair and maintenance of ponds or tanks and the construction and maintenance of water-works for the supply of water for washing and bathing purposes and of protected water for drinking purposes.

64. *Power of panchayat to provide for certain other matters.*—Subject to the provisions of this Act and the rules made thereunder a panchayat may also make such provision as it thinks fit for carrying out the requirements of the village or town in respect of the following matters, namely :—

(a) the planting and preservation of trees on the sides of all public roads in the village or town subject to mutually agreed terms and conditions between the panchayat and the authority which maintains the road in case the road is not maintained by the panchayat itself;

(b) the lighting of public roads and public places in areas other than built-up areas;

(c) the opening and maintenance of public markets other than markets which are classified as panchayat union markets;

(d) the control of fairs and festivals other than those classified as panchayat union fairs and festivals;

(e) the opening and maintenance of public landing places, halting places and cart-stands and of public cattle-sheds;

(f) the opening and maintenance of public slaughter houses;

(g) the opening and maintenance of reading rooms;

(h) the establishment and maintenance of wireless receiving sets, playgrounds, parks, sports clubs and centres of physical culture;

(i) the opening and maintenance of literacy centres and centres for imparting social education; and

(j) the construction of works of public utility and the provision of other facilities for the safety, health, comfort, convenience, culture or recreation of the inhabitants of the village or town.

65. *Duty of panchayat union council to provide for certain matters.*—Subject to the provisions of this Act and the rules made thereunder, it shall be the duty of a panchayat union



council, within the limits of its funds, to make reasonable provision for carrying out the requirements of the panchayat union in respect of the following matters, namely:—

(a) the construction, repair and maintenance of all public roads in the panchayat union which are classified as panchayat union roads and of all bridges, culverts, road-dams and causeways on such roads;

(b) the establishment and maintenance of dispensaries and the payment of subsidies to rural medical practitioners;

(c) the establishment and maintenance of maternity and child-welfare centres, including the maintenance of a "thayi" service and offering advice and assistance to mothers in family planning;

(d) the construction and maintenance of poor houses, orphanages, shops, stalls, plinths, the training and employment of vaccinators, the removal of congestion of population and the provision of house-sites;

(e) the opening and maintenance and expansion or improvement of elementary schools, including the payment of grants to private managements in respect of elementary schools;

(f) preventive and remedial measures connected with any epidemic or with malaria;

(g) the control of fairs and festivals classified by the panchayat union council as those reserved for control by it;

(h) veterinary relief;

(i) the extension of village-sites and the regulation of building;

(j) the opening and maintenance of public markets which are classified as panchayat union markets;

(k) the maintenance of statistics relating to births and deaths;

(l) the establishment and maintenance of choultries;

(m) improvements of agriculture, agricultural stock and the holding of agricultural shows; and

(n) the promotion and encouragement of cottage industries.

66. *Entrustment of execution of National Extension Service Scheme of Community Development to panchayat union councils.*—The Government shall as soon as may be after the constitution of a panchayat union council for a panchayat development block under this Act entrust to the



panchayat union council subject to such conditions and restrictions as may be specified by the Government the execution in the panchayat development block of the National Extension Service Scheme of Community Development, including in particular, all measures relating to the development of agriculture, animal husbandry and village industries organized on an individual or co-operative basis.

67. *Power of panchayat union council to provide for certain matters.*—Subject to the provisions of this Act and the rules made thereunder, a panchayat union council may, within the limits of its funds, make such provision as it thinks fit for carrying out the requirements of the panchayat union in respect of measures of public utility other than those specified in section 65, calculated to promote the safety, health, comfort or convenience of the inhabitants of the panchayat union.

68. *Common water-works and burial and burning grounds, etc.*—Subject to the provisions of this Act and the rules made thereunder two or more panchayats—

(i) may construct and maintain water-works for supply of water for washing and bathing purposes and of protected water for drinking purposes from a common source and may also provide a common burial and burning ground, and

(ii) may entrust to the panchayat union council with its consent and on such terms as may be agreed upon, the management of any institution or the execution or maintenance of any work.

69. *Lighting of public roads and public places.*—Notwithstanding anything contained in section 64, clause (b), the Government may, by general or special order, direct any panchayat or panchayat union council to provide for the lighting of public roads and public places within its jurisdiction and it shall be the duty of the panchayat or panchayat union council to provide for such lighting :

Provided that where such a direction is given, the Government shall make such provision for the cost of lighting as they may consider reasonable and the decision of the Government shall be final.

70. *Maintenance of common dispensaries, child-welfare centres, etc.*—Subject to the provisions of this Act, and the rules made thereunder, two or more panchayat union councils may establish and maintain common dispensaries, child-welfare centres and institutions of such other kind as may be prescribed.

71. *Transfer of immovable property, management of institutions, execution or maintenance of works, etc., to a panchayat.*—(1) The panchayat union council may, subject to such control as may be prescribed, by notification, declare that any



immovable property vested in itself shall vest in any panchayat in the same panchayat union, and such property shall, from the date specified in the said notification, vest accordingly.

(2) Subject to such rules as may be prescribed, the Government, the Board of Revenue, the Collector or Revenue Divisional Officer, the panchayat union council or the commissioner, or any person or body of persons, may transfer to the panchayat, with its consent and subject to such conditions as may be agreed upon, the management of any institution, or the execution or maintenance of any work, or the exercise of any power or the discharge of any duty, whether within or without the village or town, and whether provided for in this Act or not.

72. *Transfer to panchayats of unreserved forests and other institutions or works.*—(1) (d) All undeserved forests in the village at the commencement of this Act shall vest in the panchayat and be administered by it for the benefit of such village.

(b) in respect of every forest so vested, the panchayat shall, if so required by the Collector, pay to the Government such rent as the Collector may, from time to time, subject to the control of the Board of Revenue, fix in this behalf.

(2) (a) If the Revenue Divisional Officer is of opinion that a panchayat is not administering properly a forest vesting in it under sub-section (1), he may, by order, withdraw such forest from the control of the panchayat for such period as may be specified in the order, not exceeding the period, if any, prescribed in this behalf. He may in respect of such forest direct that it be vested in the panchayat union council and be administered by it.

(b) The Revenue Divisional Officer may, from time to time, by order, extend the period specified in any order issued under clause (a).

(c) Before issuing an order under clause (a) or (b), a reasonable opportunity shall be given to the panchayat to show cause against such issue.

(d) When an order is issued under clause (a) or (b), the panchayat concerned may, within three months of the service of the order, appeal against it to the Collector; and the Collector may confirm, modify or reverse the order.

(3) The Board of Revenue may, in its discretion at any time, either *suo motu* or on application, call for and examine the record of any order issued by the Revenue Divisional Officer or the Collector under sub-section (2) for the purpose of satisfying itself as to the legality or propriety of such order, and may pass such order in reference thereto as it thinks fit.



73. *Power of Board of Revenue to transfer or resume control of endowments and inams.*—(1) (a) Subject to the control of the Government, the Board of Revenue may, by notification, make over to a panchayat union council, with its consent, the management and superintendence of any charitable endowment in respect of which powers and duties attach to the Board of Revenue under the provisions of the Madras Endowments and Escheats Regulation, 1817 (Madras Regulation VII of 1817); and thereupon all powers and duties attaching to the Board of Revenue in respect thereof shall attach to the panchayat union council as if it had been specially named in the said Regulation, and the panchayat union council shall manage and superintend such endowment.

(b) The Board of Revenue may, of its own motion and shall on a direction from the Government, by notification, resume the management and superintendence of any endowment made over to a panchayat union council under clause (a) and upon such resumption, all the powers and duties attaching to the panchayat union council in respect of the endowment shall cease and determine.

(2) The Government may assign to a panchayat union council with its consent, a charitable inam, resumed by the Government or any other authority, provided that the net income from such inam can be applied exclusively to any purpose to which the funds of such panchayat union council may be applied; and may revoke any assignment so made.

(3) The management and superintendence of any charitable endowment which immediately before the constitution of a panchayat union council for any panchayat development block under this Act was vested in a district board under the Madras District Boards Act, 1920 (Madras Act XIV of 1920) shall, on such constitution, vest in the panchayat union council exercising jurisdiction over the place where the endowment is situated.

74. *Government's power to add to functions of panchayat union council.*—Subject to such rules as may be prescribed, the Government, the Board of Revenue, the Collector or Revenue Divisional Officer or any person or body of persons may transfer to the panchayat union council with its consent and on such terms as may be agreed upon, the management of any institution or the execution or maintenance of any work, or the exercise of any power or the discharge of any duty whether within or without the panchayat union and whether provided for in this Act or not.

75. *Limitation of power, to accepting donations and trusts.*—A panchayat or a panchayat union council may accept donations for, or trusts relating exclusively to, the furtherance of any purpose to which its funds may be applied.



76. *Vesting of public roads in panchayats.*—(1) All public roads in any village or town (other than roads which are classified by the Government as National Highways or State Highways or as major district roads or as panchayat union roads) shall vest in the panchayat together with all pavements, stones, and other materials thereof, all works, materials and other things provided therefor, all sewers, drains, drainage works, tunnels and culverts, whether made at the cost of the panchayat or otherwise, in, alongside or under such roads, and all works, materials and things appertaining thereto.

(2) The Government may, by notification, exclude from the operation of this Act any such public road, sewer, drain, drainage work, tunnel or culvert, and may also modify or cancel such notification.

77. *Vesting of public roads in panchayat union councils.*—(1) All public roads in any panchayat union which are classified as panchayat union roads shall vest in the panchayat union council together with all pavements, stones and other materials thereof, all works, materials and other things provided therefor, all sewers, drains, drainage works, tunnels and culverts, whether made at the cost of the panchayat union council or otherwise, in, alongside or under such roads, and all works, materials and things appertaining thereto.

(2) The Government may, by notification, exclude from the operation of this Act any panchayat union road, sewer, drain, drainage work, tunnel or culvert, and may also modify or cancel such notification.

78. *Duty of panchayat in respect of public roads excluded from the operation of the Act.*—Where any public road has been excluded from the operation of this Act under sub-section (2) of section 76 or sub-section (2) of section 77 and placed under the control of the Highways Department of the Government (hereinafter referred to as the Highways Department), the panchayat may and if so required by the Government shall make provision—

(a) for the watering and maintenance of the drainage of such road;

(b) for the provision, maintenance and repair of the water-supply mains, drains and sewers in, alongside or under such road;

(c) for the provision, maintenance and repair of footways attached to such road:

Provided that where in the carrying out of the above provisions it is necessary for the panchayat to open and break up the soil or pavement of any such road, the panchayat shall obtain the previous consent of such officer of the Highways Department as the Government may by general or special order, specify:



Provided further that in cases of emergency, the panchayat mav, without such consent, open and break up the soil or payment of any such street, but shall, as far as practicable, restore such soil or pavement to the condition in which it was immediately before it was opened and broken up; and a report of the action so taken and the reasons therefor shall be sent forthwith to the officer specified under the foregoing proviso :

Provided also that where the execution of any work is required by the Government, the Government shall make provision for the cost thereof.

79. *Precautions in case of dangerous structures.*—(1) If any structure adjoining a public road vested in a panchayat union council or a panchayat appears to the commissioner or the executive authority, as the case may be, to be in a ruinous state and dangerous to the passers-by, the commissioner or executive authority may, by notice, require the owner or occupier to fence off, take down, secure or repair such structure so as to prevent any danger therefrom.

(2) If immediate action is necessary, the commissioner or executive authority shall himself, before giving such notice or before the period of such notice expires, fence off, take down, secure or repair such structure or fence off a part of any road or take such temporary measures as he may think fit to prevent danger, and the cost of doing so shall be recoverable from the owner or occupier in the manner hereinafter provided.

80. *Precautions in case of dangerous trees.*—(1) If any tree or any branch of a tree standing on land adjoining a public road vested in a panchayat union council or panchayat appears to the commissioner or executive authority to be likely to fall and thereby endanger any person using, or any structure on, such road, the commissioner or executive authority may, by notice, require the owner of the said tree to secure, lop or cut down the said tree so as to prevent any danger therefrom.

(2) If immediate action is necessary, the commissioner or executive authority shall himself, before giving such notice or before the period of such notice expires, secure, lop or cut down the said tree or fence off a part of the public road or take such other temporary measures as he thinks fit to prevent danger, and the cost of so doing shall be recoverable from the owner of the tree in the manner hereinafter provided.

81. *Fencing of buildings or lands and pruning of hedges and trees.*—Where a public road is vested in a panchayat union council or panchayat, the commissioner or executive authority mav, by public notice, require the owner or occupier of any building or land near such road to—

(a) fence the same to the satisfaction of the commissioner or executive authority.



(b) trim or prune any hedges bordering on such road so that they may not exceed such height from the level of the adjoining roadway as the commissioner or executive authority may determine; or

(c) cut and trim any hedges of trees overhanging such road and obstructing it or the view of traffic or causing it damage; or

(d) lower an enclosing wall or fence which, by reason of its height and situation, obstructs the view of traffic so as to cause danger.

82. *Prohibition against obstructions in or over public roads, etc.*—(1) No person shall, except as permitted by rules made under this Act and except in accordance with the conditions imposed by any licence made requisite by such rules—

(a) build any wall or erect any fence or other obstruction or projection or make any encroachment whatsoever, whether permanent or temporary, in or over any public road;

(b) make any hole or deposit any matter in or upon any public road;

(c) work a quarry in or remove stone, earth or other material from any place within twenty yards of a public road or of other immovable property vesting in or belonging to a panchayat or a panchayat union council, provided that nothing in this clause shall be deemed to apply to any work which, in the opinion of the Inspector, is done in connexion with a *bona fide* agricultural operation;

(d) erect any building over any sewer or drain or any part thereof;

(e) plant any tree on any public road or other property vesting in or belonging to a panchayat or a panchayat union council; or

(f) fell, remove, destroy, lop or strip bark, leaves, or fruits from, or otherwise damage, any tree which is growing on any such public road or other property or on any poramboke or land, the use of which is regulated by a panchayat under section 86 or section 87 and the right to which has not been established by such person as vesting in or belonging to him.

(2) It shall be the duty of the karnam of every revenue village to report on encroachments on properties vested in panchayats or panchayat union councils, to the executive authority or the commissioner concerned and to the officers of the Revenue Department, and it shall be the duty of the executive authority or the commissioner concerned to institute proceedings under this Act and secure the removal of the encroachments within such time as may be specified by the Government by general or special order. If the removal of the encroachments has not been secured within the period specified in such order.



the officers of the Revenue Department shall institute proceedings under the Madras Land Encroachment Act, 1905 (Madras Act III of 1905), and secure such removal.

83. *Vesting of communal property or income in panchayat.*—Any property or income including any fishery right which by custom belongs to, or has been administered for the common benefit of the inhabitants of the village or town, or of the holders in common of village land generally or of the holders of lands of a particular description or of the holders of lands under a particular source of irrigation shall, if so declared by the Government, vest in the panchayat and be administered by it for the benefit of the inhabitants or holders aforesaid.

84. *Vesting of water-works in panchayats.*—(1) All public water-courses, springs, reservoirs, tanks, cisterns, fountains, wells, stand-pipes and other water-works (including those used by the public to such an extent as to give a prescriptive right to their use) whether existing at the commencement of this Act or afterwards made, laid or erected, and whether made, laid or erected at the cost of the panchayat or otherwise, and also any adjacent land (not being private property) appertaining thereto, shall vest in the panchayat and be subject to its control :

Provided that nothing contained in this sub-section shall apply to any work which is, or is connected with a work of irrigation or to any adjacent land appertaining to any such work.

(2) The Government may, by notification, define or limit such control or may assume the administration of any public source of water-supply and public land adjacent and appertaining thereto after consulting the panchayat and giving due regard to its objections, if any.

85. *Maintenance of irrigation works, execution of kudimaramat, etc.*—(1) Subject to such conditions and control as may be prescribed, the Government may transfer to any panchayat or to any panchayat union council the protection and maintenance of any irrigation work, the management of turns of irrigation, or the regulation of distribution of water from any irrigation work to the fields depending on it.

(2) The panchayat, or the panchayat union council shall have power, subject to such restrictions and control as may be prescribed, to execute kudimaramat in respect of any irrigation source in the village or town and to levy such fee and on such basis for the purposes thereof as may be prescribed :

Provided that nothing contained in this section shall be deemed to relieve the village community or any of its members of its or his liability under the Madras Compulsory Labour



Act, 1858 (Central Act I of 1858), in respect of any irrigation source in the village or town, in case the panchayat makes default in executing the kudimaramat in respect of that irrigation source.

(3) Where the maintenance of any irrigation work is transferred under this section, the fishery rights of Government in such work shall be transferred to and be vested in the panchayat or the panchayat union council, as the case may be, subject to such terms and conditions including terms and conditions regarding the utilization of the income, as may be specified by the Government.

86. *Panchayat to regulate the use of certain porambokes in ryotwari tracts.*—(1) The provisions of this section shall apply only in ryotwari tracts.

(2) The following porambokes, namely, grazing grounds, threshing floors, burning and burial-grounds, cattle-stands, cart-stands and topes shall vest in the panchayat, and the panchayat shall have power, subject to such restrictions and control as may be prescribed, to regulate the use of such porambokes, provided the porambokes are at the disposal of the Government.

(3) The Collector, after consulting the panchayat, may, by notification, exclude from the operation of this Act, any poramboke referred to in sub-section (2), and may also modify or cancel such notification.

(4) The panchayat shall also have power, subject to such restrictions and control as may be prescribed, to regulate the use of any other poramboke which is at the disposal of the Government, if the panchayat is authorized in that behalf by an order of the Government.

(5) The panchayat may, subject to such restrictions and control as may be prescribed, plant trees on any poramboke the use of which is regulated by it under sub-section (2) or sub-section (4).

87. *Panchayat to regulate the use of certain communal lands in estates governed by the Madras Estates Land Act, 1908.*—(1) In estates governed by the Madras Estates Land Act, 1908 (Madras Act I of 1908), notwithstanding anything contained in that Act, the panchayat shall have power subject to such restrictions and control as may be prescribed—

(a) to regulate the use of lands which are set apart for any of the purposes referred to in sub-clause (b) of clause (16) of section 3 of the said Act, namely, threshing floors, cattle-stands, village-sites and other lands situated in the village or town which are set apart for the common use of the inhabitants of such village or town;



(b) to exercise the power vested in the District Collector by section 20-A of the said Act, namely, to direct that any land referred to in clause (a) which is no longer required for its original purpose shall be used for any other specified communal purpose, provided that the sanction of the District Collector is obtained therefor; and

(c) to plant trees on any land the use of which is regulated by the panchayat under clause (a).

Nothing contained in clause (b) shall be deemed to affect in any way the operation of the provisos to sub-section (1) of the said section 20-A.

(2) After an estate ceases to be governed by the Madras Estates Land Act, 1908 (Madras Act I of 1908), the provisions of sub-section (1) shall apply to the lands referred to in that sub-section, to such extent and with such modifications, as may be prescribed.

88. *Collected sewage, etc., to belong to panchayat.*—All rubbish, sewage, filth and other matter collected by a panchayat under this Act shall belong to it.

89. *Immovable property required by panchayats may be acquired under the Land Acquisition Act, 1894.*—Any immovable property which any panchayat or panchayat union council is authorized by this Act or any rules made thereunder to acquire may be acquired under the provisions of the Land Acquisition Act, 1894 (Central Act I of 1894), and on payment of the compensation awarded under the said Act, in respect of such property and of any other charges incurred in acquiring it, the said property shall vest in the panchayat or panchayat union council as the case may be.

90. *Contributions from persons having control over places of pilgrimage, etc.*—Where a mosque, temple, mutt or any place of religious worship or instruction or any place which is used for holding fairs or festivals or for other like purposes is situated within the limits of a village or town or in the neighbourhood thereof and attracts either throughout the year or on particular occasions a large number of persons, any special arrangements necessary for public health, safety or convenience, whether permanent or temporary, shall be made by the panchayat; but the Government may after consulting the trustee or other person having control over such place require him to make such recurring or non-recurring contribution to the funds of the panchayat as they may determine.

91. *Power to order closure of places of public entertainment.*—In the event of the prevalence of any dangerous disease within a panchayat development block or a village or town the commissioner may by notice require the owner or occupier of any building, booth or tent used for purpose of public



entertainment to close the same for such period as he may fix.

92. *Minor suffering from dangerous disease not to attend schools.*—No person being the parent or having the care or charge of a minor who is or has been suffering from a dangerous disease or has been exposed to infection therefrom shall, after a notice from the commissioner or any person duly appointed by such commissioner in this behalf that the minor is not to be sent to school or college, permit such minor to attend school or college without having procured from the commissioner or such person or a registered medical practitioner a certificate that in his opinion such minor may attend without risk of communicating such disease to others.

*Explanation.*—In this section and in section 91 “dangerous disease” means an infectious disease within the meaning of section 52 of the Madras Public Health Act, 1939 (Madras Act III of 1929), which is notified as a dangerous disease by the Government.

93. *Compulsory vaccination.*—The panchayat union council shall enforce vaccination throughout the panchayat union, and it may enforce revaccination throughout the panchayat union or in any part thereof, in respect of such persons, to such extent, and in such manner as may be prescribed.

94. *Obligation to give information of smallpox or cholera.*—Where an inmate of any dwelling place is suffering from smallpox or cholera the head of the family to which the inmate belongs and in default the occupier or person in charge of such place, shall give intimation of the fact to the commissioner or the village headman with the least possible delay.

95. *Precautions in case of dangerous tanks, wells, holes, etc.*—(1) If any tank, pond, well, hole, stream, dam, bank or other place appears to him to be, for want of sufficient repair, protection or enclosure, dangerous to the public health or safety the commissioner or executive authority may with the approval of the panchayat union council or panchayat as the case may be, by notice require the owner to fill in, remove, repair, protect or enclose the same so as to prevent any danger therefrom.

(2) If immediate action is necessary, he shall, before giving such notice or before the period of notice expires, himself take such temporary measures as he thinks fit to prevent danger, and the cost of doing so shall be recoverable from the owner in the manner hereinafter provided.

96. *Removal of filth or noxious vegetation from lands and buildings.*—(1) The commissioner or executive authority may by notice require the owner or occupier of any building or land



which appears to him to be in a filthy or unwholesome state or overgrown with any thick or noxious vegetation, trees or undergrowth injurious to health or dangerous to the public or offensive to the neighbourhood, or otherwise a source of nuisance, to clear, cleanse or otherwise put the building or land in proper state or to clear away and remove such vegetation, trees or undergrowth or to take such other action as may be deemed by the commissioner or executive authority necessary to remove such nuisance within such period and in such manner as may be specified in the notice.

(2) If it appears to the commissioner or executive authority necessary for sanitary purposes so to do, he may by notice require the owner or occupier of any building or land to cleanse or lime-wash the same in the manner and within a period to be specified in the notice.

97. *Power of commissioner or executive authority to use or sell materials of dangerous structure taken down, etc.*—

(1) When the commissioner or executive authority takes down any structure or part thereof or cuts down any tree or hedge or shrub or part thereof in virtue of his powers under this chapter, the commissioner or executive authority may sell the materials or things taken down, cut down or removed and apply the proceeds in, or towards payment of the expenses incurred.

(2) If after reasonable enquiry it appears to the commissioner or executive authority that there is no owner or occupier to whom notice can be given under any section in this chapter, he may himself take such order with the property mentioned in such section as may appear to him to be necessary and may recover the expenses incurred by the sale of such property (not being immovable property) or of any portion thereof.

98. *Limitation of compensation.*—No person shall be entitled, save as otherwise expressly provided, to compensation for any damages sustained by reason of any action taken by the authorities of a panchayat union council or a panchayat in pursuance of their powers under this chapter.

99. *Public markets.*—(1) The panchayat union council may after obtaining the previous written permission of the Inspector, provide places for use as public markets and, with the sanction of the Inspector, close any such market or part thereof.

(2) Subject to such rules as may be prescribed, the panchayat or panchayat union council may after obtaining the previous written permission of the Inspector levy any one or more of the following fees in any public market at such rates, not exceeding the maximum rates, if any, prescribed in that



behalf as the panchayat union council or panchayat may think fit :—

(a) fees for the use of, or for the right to expose goods for sale in such market;

(b) fees for the use of shops, stalls pens or stands in such market;

(c) fees on vehicles [including motor vehicles as defined in the Motor Vehicles Act, 1939 (Central Act IV of 1939)], or pack animals bringing, or on persons taking into such market any goods for sale;

(d) fees on animals brought for sale into or sold in such market;

(e) licence fees on brokers, commission agents, weighmen and measurers practising their calling in such market.

100. *Licencing of private markets.*—(1) No person shall open a new private market or continue to keep open a private market unless he has obtained a licence from the panchayat or panchayat union council as the case may be to do so. Such licence shall be renewed every year.

(2) (a) The panchayat or panchayat union council as the case may be shall grant the licence applied for, subject to such conditions as it may think fit as to supervision and inspection, sanitation and water-supply weights and measures to be used, rents and fees to be charged and such other matters as may be prescribed.

(b) The panchayat or panchayat union council as the case may be, may modify the conditions of the licence to take effect from a specified date.

(c) The panchayat or panchayat union council as the case may be may, at any time, suspend or cancel any licence granted under clause (a) for breach of the conditions thereof.

(d) Any person aggrieved by an order of the panchayat or panchayat union council under clause (a), (b) or (c) may appeal against such order to the Inspector who may, if he thinks fit, suspend the execution of the order pending the disposal of the appeal.

(3) (a) Any person claiming to levy in a private market lawfully established prior to the coming into force of the Madras Local Boards Act, 1884 (Madras Act V of 1884), fees of the nature specified in section 99, sub-section (2), shall apply to the Inspector for a certificate recognizing his right in that behalf; and the Inspector shall pass orders on such application after giving due notice to the panchayat or panchayat union council, as the case may be, and considering any representations made by it.

(b) Any person aggrieved by an order of the Inspector refusing to grant a certificate under clause (a) may, within



six months from the date of communication of such order institute a suit to establish the right claimed by him, and subject to the result of such suit, the Inspector's order shall be final.

(4) When a licence granted under sub-section (2) does not permit the levy of any fee, it shall be granted free of charges; but when such permission is given, a fee not exceeding 15 per cent of the gross income of the owner from the market in the preceding year shall be charged by the panchayat or panchayat union council, as the case may be for such licence.

(5) The panchayat or panchayat union council as the case may be or any officer duly authorized by it may close a private market which is unlicensed or the licence for which has been suspended or cancelled, or which is held or kept open contrary to the provisions of this Act.

101. *Decision of disputes as to whether places are markets.*—If any question arises as to whether any place is a market or not, the panchayat or panchayat union council, as the case may be, shall make a reference thereon to the Government and their decision shall be final.

102. *Prohibition of sale in unlicensed private markets, etc.*—No person shall sell or expose for sale any animal or article—

(a) in any public or licensed private market without the permission of the executive authority or commissioner or licensee, as the case may be, or of any person authorized by him, or

(b) in any unlicensed private market.

103. *Prohibition against sale in public roads.*—The executive authority or commissioner may, with the sanction of the panchayat or panchayat union council, as the case may be, prohibit by public notice or licence or regulate the sale or exposure for sale of any animals or articles in or upon any public road or place or part thereof.

104. *Classification of markets.*—The Government shall have power to classify public and private markets situated in a panchayat development block as panchayat union markets and panchayat markets and provide for the control of any such market, and for the apportionment of the income derived therefrom between the panchayat union council and the panchayat or the payment of a contribution in respect thereof to the panchayat or the panchayat union council, as the case may be.

It shall be open to the Government to revise from time to time the apportionment of income ordered or the contribution directed to be paid under this section if such revision is recommended by the District Development Council.



105. *Acquisition of right of persons to hold private market.*—(1) A panchayat union council may acquire the rights of any person to hold a private market in any place in a panchayat development block and to levy fees therein. The acquisition shall be made under the Land Acquisition Act, 1894 (Central Act I of 1894) and such rights shall be deemed to be land for the purposes of that Act.

(2) On payment by the panchayat union council of the compensation awarded under the said Act in respect of such property and any other charges incurred in acquiring it, the rights of such person to hold a private market and to levy fees therein shall vest in the panchayat union council.

106. *Public landing places and cart-stands, etc.*—Subject to such rules as may be prescribed, the panchayat may—

(a) provide public landing places, halting places and cart-stands (which last expression includes stands for animals and vehicles of any description including motor vehicles) and levy fees for their use; and

(b) where any such place or stand has been provided, prohibit the use for the same purpose by any person, within such distance thereof of any public place or the sides of any public road as the panchayat may, subject to the control of the Inspector, specify.

107. *Private cart-stands.*—(1) No person shall open a new private cart-stand or continue to keep open a private cart-stand unless he obtains from the panchayat a licence to do so. Such licence shall be renewed every year.

(2) The panchayat shall, as regards private cart-stands already lawfully established, and may at its discretion as regards new private cart-stands, grant the licence applied for, subject to such conditions as the panchayat may think fit as to supervision and inspection, conservancy and such other matters as may be prescribed; or the panchayat may refuse to grant such licence for any new cart-stand.

(3) The panchayat may modify the conditions of the licence to take effect from a specified date.

(4) The panchayat may at any time suspend or cancel any licence granted under sub-section (2) for breach of the conditions thereof.

(5) The panchayat may levy on every grant or renewal of a licence under this section, a fee not exceeding two hundred rupees.

108. *Public slaughter-houses.*—A panchayat may provide places for use as public slaughter-houses and charge rents and fees for their use.



109. *Prohibition or regulation of the use of places for slaughtering animals and the licensing of slaughterers.*—The Government shall have power to make rules for—

(a) prohibiting or regulating the slaughter, cutting up or skinning of animals specified in the rules on all occasions not excepted therein, at places other than public slaughter-houses;

(b) licensing persons to slaughter animals specified in the rules for purposes of sale to the public; and

(c) the inspection of slaughter-houses and of the meat therein and the payment of remuneration to the officers employed for such inspection.

110. *Numbering of buildings.*—(1) In any area to which this Act applies, such authority as may be prescribed in this behalf, may cause a number to be affixed to the side or outer door of any building or to some place at the entrance of the premises.

(2) No person shall, without lawful authority, destroy, pull down or deface any such number.

(3) When a number has been affixed under sub-section (1), the owner of the building shall be bound to maintain such number and to replace it if removed or defaced; and if he fails to do so, the authority referred to in sub-section (1) may by notice require him to replace it.

111. *Purposes for which places may not be used without a licence.*—(1) The Government may, by notification specify the purposes which, in their opinion, are likely to be offensive or dangerous to human life or health or property.

(2) (i) The panchayat union council in the case of panchayat villages may, with the previous approval of the prescribed authority, notify that no place within the limits of any panchayat village in the panchayat development block or within the limits of such panchayat village or villages as may be specified in the notification shall be used for any of the purposes specified in the notification issued under sub-section (1) without a licence and except in accordance with the conditions specified in such licence.

(ii) The town panchayat may, with the previous approval of the prescribed authority, notify that no place within the limits of the panchayat town shall be used for any of the purposes specified in the notification issued under sub-section (1) without a licence and except in accordance with the conditions specified in such licence.

(3) No notification issued under sub-section (1) or sub-section (2) shall take effect until sixty days from the date of its publication.



(4) The executive officer in the case of panchayat towns and the commissioner in the case of panchayat villages shall be the authority competent to grant the licence or refuse to grant it.

112. *Permission for the construction of factories and the installation of machinery.*—No person shall, without the permission of the panchayat union council in panchayat villages and the town panchayat in a panchayat town and except in accordance with the conditions specified in such permission—

(a) construct or establish any factory, workshop or workplace in which it is proposed to employ steam power, water power or other mechanical power or electrical power, or

(b) install in any premises any machinery or manufacturing plant driven by any power as aforesaid, not being machinery or manufacturing plant exempted by the rules.

113. *Power of Government to make rules in respect of the grant and renewal of licences and permissions.*—(1) The Government may make rules—

(a) prohibiting or regulating the grant or renewal of licences under section 111 and the period for which such licences shall be valid;

(b) as to the time within which applications for such licences or renewals thereof shall be made; and

(c) prohibiting or regulating the grant of permissions under section 112.

(2) Rules made under clause (c) of sub-section (1) may empower the panchayat union council in panchayat villages and the town panchayat in a panchayat town to set apart specified areas for industrial purposes and provide for the refusal of permissions under section 112 in respect of any factory, workshop, workplace or premises outside such areas and also, subject to the sanction of the prescribed authority for the removal to such areas, of any factory, workshop or workplace which has been already established at any place, or any machinery which has already been installed in any premises, situated outside such areas :

Provided that no such rule shall authorize the removal of any factory, workshop or workplace or machinery installed in any premises, in the occupation or under the control of the Central or the State Government or of a market committee established under the Madras Commercial Crops Markets Act, 1933 (Madras Act XX of 1933).

(3) The Government may either generally or in any particular case, make such order or give such directions as they may deem fit in respect of any action taken or omitted to be taken under section 111 or section 112.



(4) The income derived from fees on licences under section 111 and on permissions under section 112 shall, if received by the panchayat union council, be credited to the funds of the village panchayat concerned and if received by the town panchayat be credited to the funds of that town panchayat.

APPLICATION OF THE MADRAS PLACES OF PUBLIC RESORT ACT.  
1888.

114. *Modification of the Madras Places of Public Resort Act, 1888.*—Notwithstanding anything contained in the Madras Places of Public Resort Act, 1888 (Madras Act II of 1888) when the Government extend that Act to any village, town or part thereof—

(a) the authority to whom application shall be made for a licence under that Act in respect of any place or building to be used exclusively for purposes other than the holding of cinematograph exhibitions, and who may grant or refuse such licence, shall be the executive officer in the case of panchayat towns and the commissioner in the case of panchayat villages;

(b) the appeal from the order of the executive officer or the commissioner granting, refusing, revoking or suspending a licence, shall lie to the town panchayat or the panchayat union council as the case may be;

(c) the income derived from fees on licences under this section shall, if received by the panchayat union council, be credited to the funds of the village panchayats concerned and if received by the town panchayat, be credited to the funds of that town panchayat.

CHAPTER IV.—TAXATION AND FINANCE.

115. *Local cess.*—(1) There shall be levied in every panchayat development block, a local cess at the rate of 45 naye Paise on every rupee of land revenue payable to the Government in respect of any land for every fasli.

*Explanation.*—Land revenue means public revenue due on land and includes water-cess payable to the Government for water supplied or used for the irrigation of land but does not include any other cess or the surcharge payable under section 116 provided that land revenue remitted shall not be deemed to be land revenue payable for the purpose of this section.

(2) The local cess payable under sub-section (1) shall be deemed to be public revenue due on all the lands in respect of which a person is liable to pay local cess and all the said lands, the buildings upon the said lands and their products shall be regarded as the security for the local cess.



(3) The provisions of the Madras Revenue Recovery Act, 1864 (Madras Act II of 1864), shall apply to the payment and recovery of the local cess payable under this Act just as they apply to the payment and recovery of the revenue due upon the lands in respect of which the local cess under this Act is payable.

(4) (a) Out of the proceeds of the local cess so collected in every panchayat development block, a sum representing four-ninths of the proceeds shall be credited to the Panchayat Union (Education) Fund.

(b) Out of the proceeds of the local cess collected in every panchayat town in a panchayat development block, a sum representing two-ninths of the said proceeds shall be credited to the town panchayat fund.

(c) Out of the balance of the proceeds of the local cess collected in the panchayat development block, such percentage as the panchayat union council may fix shall be credited to the village panchayat fund, and the percentage shall be fixed so as to secure as nearly as may be that the total income derived by all the village panchayats in the panchayat union does not fall short of an amount calculated at 20 naye Paise for each individual of the village population in the panchayat union.

(d) The balance of the proceeds of the local cess collected in the panchayat development block shall be credited to the funds of the panchayat union council.

116. *Local cess surcharge.*—Every panchayat union council may levy on every person liable to pay land revenue to the Government in respect of any land in the panchayat union a local cess surcharge at such rate as may be considered suitable as an addition to the local cess levied in the panchayat development block under section 115 provided that the rate of local cess surcharge so levied shall be subject to such maximum as may be prescribed.

117. *Rules regarding collection of local cess.*—The Government may make rules not inconsistent with this Act for regulating the collection of the local cess, the payment thereof to the panchayats and panchayat union councils and the deduction of any expenses incurred by the Government in the collection thereof.

118. *Land Revenue Assignment.*—The Government shall pay to each panchayat union council a sum representing one rupee for each individual of the population of the panchayat development block concerned from out of the total land revenue (including water-cess) collected in the State during that year. The sum thus credited to the panchayat union council shall be referred to as the Land Revenue Assignment of that block.



119. *Taxes leviable by panchayats.*—(1) Every village panchayat shall levy in the village and every town panchayat shall levy in the town a house-tax, a profession-tax and a vehicle tax.

(2) A duty shall also be levied in every panchayat village and every panchayat town or certain transfers of property in accordance with the provisions of section 124.

(3) Subject to such rules as may be prescribed and with the sanction of the Inspector and subject to such restrictions and conditions, if any as may be imposed by him either at the time of granting sanction or later, the panchayat may also levy in the village or town as the case may be a tax on agricultural land for a specific purpose.

120. *House-tax.*—(1) The house-tax shall be levied on all houses in every village and town on the basis on which such tax was levied in the local area concerned immediately before the commencement of this Act :

Provided that the Government may by rules prescribe that the tax shall be levied on the basis of classified plinth area or on the basis of annual rent value or capital value or on a combination of any two or more of the above bases.

(2) The house-tax shall, subject to the prior payment of the land revenue, if any, due to the Government in respect of the site of the house, be a first charge upon the house and upon the movable property, if any found within or upon the same and belonging to the person liable to such tax.

(3) The house-tax shall be levied every half-year at such rates as may be fixed by the panchayat, not being less than the minimum rates and not exceeding the maximum rates specified in Schedule I in regard to the basis of levy adopted by the panchayat.

(4) The Government may make rules providing for—

(i) the manner of ascertaining the annual or capital value of houses or the categories into which they fall for the purposes of taxation;

(ii) the persons who shall be liable to pay the tax and the giving of notices of transfer of houses;

(iii) the grant of vacancy and other remissions;

(iv) the circumstances in which, and the condition subject to which, houses constructed, reconstructed or demolished, or situated in areas included in, or excluded from the village or town, during any half-year, shall be liable or cease to be liable to the whole or any portion of the tax.

(5) If the occupier of a house pays the house-tax on behalf of the owner thereof such occupier shall be entitled to



recover the same from the owner and may deduct the same from the rent then or thereafter due by him to the owner.

121. *Profession-tax*.—(1) The profession-tax, shall subject to such rules as may be prescribed, be levied every half-year in every village or town on—

(i) every company which transacts business in such village or town for not less than sixty days in the aggregate in that half-year; and

(ii) every person, who in that half year—

(a) exercises a profession, art or calling or transacts business or holds any appointment, public or private—

(i) within such village or town for not less than sixty days in the aggregate; or

(ii) without such village or town, but who resides in it for not less than sixty days in the aggregate; or

(b) resides in such village or town for not less than sixty days in the aggregate and is in receipt of any pension or income from investments.

(2) The profession-tax shall be levied at such rates as may be fixed by the panchayat, not being less than such minimum rates and not exceeding such maximum rates as may be prescribed.

(3) A person shall be chargeable under the class appropriate to his aggregate income from all the sources specified in sub-section (1) as being liable to the tax.

(4) If a company or person proves that it or he had paid the sum due on account of the profession-tax levied under this Act, or the companies or profession-tax levied under any other Madras Act or any tax of the nature of a profession-tax imposed under the Cantonments Act, 1924 (Central Act II of 1924), for the same half-year to any panchayat, township committee, municipal council or cantonment authority in the State of Madras, such company or person shall not be liable by reason merely of change of place of business, exercise of profession, art or calling, appointment or residence to pay to any other panchayat, township committee, municipal council or cantonment authority more than the difference between such sum and the amount to which it or he is otherwise liable for the profession or companies tax for the half-year under this Act or any of the aforesaid Acts.

(5) Nothing contained in this section shall be deemed to render a person who resides within the local limits of one local authority and exercises his profession, art or calling or transacts business or holds any appointment within the limits of



any other local authority or authorities liable to profession-tax for more than the higher of the amounts of the tax leviable by any of the local authorities. In such a case, the Government shall apportion the tax between the local authorities in such manner as they may deem fit and the decision of the Government shall be final :

Provided that where one of the local authorities concerned is a cantonment authority or the port authority of a major port, the decision of the Government shall be subject to the concurrence of the Central Government.

(6) The profession-tax leviable from a firm, association or joint Hindu family may be levied from any adult member of the firm, association or family.

(7) (a) If a company or person employs a servant or agent to represent it or him for the purpose of transacting business in any local area, such company or person shall be deemed to transact business in the local area and such servant or agent shall be liable for the profession-tax in respect of the business of such company or person whether or not such servant or agent has power to make binding contracts on behalf of such company or person.

(b) Where one company or person is the agent of another company or person, the former company or person shall not be liable separately to the profession-tax on the same income as that of the principal.

122. *Vehicle tax.*—The vehicle tax shall, subject to such rules as may be prescribed including rules relating to exemptions and restrictions, be levied every half-year on all vehicles kept or used within the village or town at such rates as may be fixed by the panchayat not being less than the minimum rates and not exceeding the maximum rates prescribed.

*Explanation.*—In this section, 'vehicle' means a conveyance suitable for use on roads and includes any kind of tram-car, carriage, cart, wagon, bicycle, tricycle and rickshaw, but does not include a motor vehicle as defined in the Motor Vehicles Act, 1939 (Central Act IV of 1939).

123. *Appeals against assessments.*—An appeal shall lie to such authority and within such time as may be prescribed, against any assessment of tax made in pursuance of sections 119 to 122.

124. *Duty on transfers of property.*—(1) The duty on transfers of property shall be levied—

(a) in the form of a surcharge on the duty imposed by the Indian Stamp Act, 1899 (Central Act II of 1899), as in



force for the time being in the state of Madras, on every instrument of the description specified below, which relates to immovable property situated in the area under the jurisdiction of a panchayat; and

(b) at such rate as may be fixed by the Government, not exceeding five per centum on the amount specified below against such instrument :—

Description of instrument.	Amount on which duty should be levied.
(i) Sale of immovable property.	The amount or value of the consideration for the sale, as set forth in the instrument.
(ii) Exchange of immovable property.	The value of the property of the greatest value, as set forth in the instrument.
(iii) Gift of immovable property.	The value of the property, as set forth in the instrument.
(iv) Mortgage with possession of immovable property.	The amount secured by the mortgage as set forth in the instrument.
(v) Lease in perpetuity of immovable property.	An amount equal to one-sixth of the whole amount or value of the rents which would be paid or delivered in respect of the first fifty years of the lease, as set forth in the instrument.

(2) On the introduction of the duty aforesaid—

(a) section 27 of the said Indian Stamp Act shall be read as if it specifically required the particulars to be set forth separately in respect of property situated in the area under the jurisdiction of a panchayat and in respect of property situated outside such area;

(b) section 64 of the same Act shall be read as if it referred to the panchayat as well as the Government.

(3) (a) The amounts collected in the panchayat villages in the panchayat development block as surcharge on the duty on transfers of property under this section shall be pooled every year for the entire block and distributed among all the village panchayats in the block in proportion to the land revenue of the village.

(b) The amounts collected in any panchayat town as surcharge on the duty on transfers of property under this section, shall be credited to the town panchayat fund.

(4) The Government may make rules not inconsistent with this Act for regulating the collection of the duty, the payment thereof to the panchayat and the deduction of any expenses incurred by the Government in the collection thereof.

125. *Exemptions.*—No exemption from the payment of any surcharge or tax specified in section 116 or 119 shall



be granted by the panchayat or the panchayat union council except in accordance with such rules as may be prescribed :

Provided that in any particular case, such exemption may be granted with the previous sanction of the Government.

126. *Power to require land revenue staff to collect taxes and fees due to panchayats.*—Subject to such rules as may be prescribed, the executive authority or the commissioner shall have power to require the staff of the Land Revenue Department to prepare at quinquennial intervals a House-tax Assessment Register in such form as may be prescribed and to collect any tax or fee due to the panchayat or panchayat union council on payment of such remuneration not exceeding 6½ per cent of the gross sum collected as the Collector may, by general or special order, determine.

127. *Write-off of irrecoverable amounts.*—Subject to such restrictions and control as may be prescribed, a panchayat or panchayat union council may write off any tax, fee or other amount whatsoever due to it, whether under a contract or otherwise, or any sum payable in connexion therewith, if in its opinion such tax, fee, amount or sum is irrecoverable :

Provided that where the Collector or any of his subordinates is responsible for the collection of any tax, fee or other amount due to a panchayat or panchayat union council the power to write off such tax, fee or amount or any sum payable in connexion therewith, on the ground of its being irrecoverable, shall be exercised by the Board of Revenue or subject to its control, by the Collector or any officer authorized by him.

128. *Local Education Grant.*—The Government shall pay annually to every panchayat union council a Local Education Grant the amount of which shall be calculated as follows :—

The total amount of expenditure approved by the Government for being debited to the Panchayat Union (Education) Fund shall be divided into slabs in the manner specified below :—

So much of the expenditure as may be equal to the land revenue assignment of the block referred to in section 118 shall constitute the first slab.

So much of the expenditure as may be in excess of the first slab subject to a maximum of 250 naye Paise for each individual of the population of the panchayat development block concerned shall constitute the second slab.

To each panchayat union council, the Government shall make a Local Education Grant which shall be a proportion of the second slab not less than fifty per cent and not more than eighty per cent as may be specified by the Government in respect of that block.



129. *Local Cess Surcharge Matching Grant.*—The Government shall pay every year to the panchayat union council a Local Cess Surcharge Matching Grant, which shall be a sum calculated at such percentage as may be prescribed of the proceeds of the local cess surcharge levied in the panchayat development block in excess of the minimum rate fixed under section 116.

130. *Classification of panchayat development blocks.*—For the purpose of sanctioning grants to panchayat union councils, the Government may classify panchayat development blocks in such manner as they may deem fit once in every five years and it shall be open to the Government to sanction grants at varying rates for the different classes of panchayat development blocks. It shall also be open to the Government to revise the classification of panchayat development blocks once in every five years.

131. *Local Roads Grant.*—The Government shall pay every year to every panchayat union council a Local Roads Grant, which shall be a sum calculated at the rate of 40 naye Paise for each individual of the estimated population in the panchayat development block to be earmarked and spent on the maintenance of roads in its area and such sum shall be in lieu of the amounts payable before the commencement of this Act, with reference to section 10 (1) (a) of the Madras Motor Vehicles Taxation Act, 1931 (Madras Act III of 1931). Such rate shall be reviewed and refixed once in every five years with due regard to the needs and resources of the panchayat unions.

132. *Village House-tax Matching Grant.*—On every rupee of house-tax collected by a village panchayat, an equal amount shall be paid by the Government as grant which shall be called the Village House-tax Matching Grant.

133. *Deduction from grants in certain cases.*—Where the panchayat union council undertakes a work of common benefit for more than one panchayat, it may apportion the cost of such work among the different panchayats benefited thereby. In such a case, the panchayat union council shall be entitled to recover the share of such cost from the panchayat out of the amounts payable to the panchayats under sections 115 and 124.

134. *Constitution of Panchayat Union Fund, Town Panchayat Fund and Village Panchayat Fund.*—There shall be constituted—

(i) for each panchayat union, a Panchayat Union (General) Fund and a Panchayat Union (Education) Fund;



(ii) for each town panchayat, a Town Panchayat Fund;  
and

(iii) for each village panchayat, a Village Panchayat Fund.

PANCHAYAT UNION (GENERAL) FUND.

135. *Panchayat Union (General) Fund.*—The receipts which shall be credited to the Panchayat Union (General) Fund shall include—

(i) such part of the local cess collected in the panchayat development block as remains after crediting to the Panchayat Union (Education) Fund, the Town Panchayat Fund and the Village Panchayat Fund under section 115 ;

(ii) the local cess surcharge collected in the panchayat development block under section 116;

(iii) the local cess surcharge matching grant paid by the Government under section 129;

(iv) the local roads grant paid by the Government under section 131;

(v) fees on licences issued and permissions given by the panchayat union council;

(vi) fees levied in public markets classified as panchayat union markets after deducting the contribution, if any, paid by the panchayat union council to the panchayat on the scale fixed by the Government;

(vii) the contribution paid to the panchayat union council by panchayats in respect of markets classified as panchayat markets;

(viii) fees for the temporary occupation of roads or road margins;

(ix) fees for the use of choultries;

(x) receipts from dispensaries maintained by the panchayat union council;

(xi) income from endowments and trusts under the management of the panchayat union council;

(xii) the proportionate share of the proceeds of the entertainments tax received by the panchayat union council under section 13 of the Madras Entertainments Tax Act, 1939 (Madras Act X of 1939);



(xiii) contributions from Government, other panchayat union councils, municipalities, other local authorities and persons in aid of any institution or service maintained or financed from panchayat union funds or managed by the panchayat union council;

(xiv) sale-proceeds of tools and plant, stores and materials and of trees and avenue produce appertaining to panchayat union roads;

(xv) income from panchayat union ferries and fisheries;

(xvi) interest on loans and securities;

(xvii) interest on arrears of revenue;

(xviii) income from and sale proceeds of, buildings, lands and other property belonging to the panchayat union council;

(xix) unclaimed deposits and other forfeitures;

(xx) fines and penalties levied under this Act by the panchayat union council or at its instance or on its behalf;

(xxi) all sums other than those enumerated above or in section 136 which arise out of, or are received in aid of, or for expenditure on, any institutions or services maintained or financed from the panchayat union fund or managed by the panchayat union council;

(xxii) all other moneys received by the panchayat union council.

#### PANCHAYAT UNION (EDUCATION) FUND.

136. *Panchayat Union (Education) Fund.*—The receipts which shall be credited to the Panchayat Union (Education) Fund shall include—

(i) four-ninths of the local cess collected under section 115;

(ii) the land revenue assignment paid by the Government under section 118;

(iii) the Local Education Grant paid by the Government;

(iv) such contribution from the Panchayat Union (General) Fund as the Government may decide to be necessary in any year in order to balance the budget of the fund for that year;

(v) all fines and penalties levied within the jurisdiction of the panchayat union council under the provisions of the Madras Elementary Education Act, 1920 (Madras Act VIII of 1920);



(vi) all income derived from any endowments or other property owned or managed by the panchayat union council for the benefit of elementary education;

(vii) all other sums which may be contributed or received by the panchayat union council for the purposes of elementary education..

137. *Town panchayat fund and village panchayat fund.*—The receipts which shall be credited to the town panchayat and village panchayat fund shall include—

(i) the house-tax, the profession-tax, the vehicle tax and any other tax or any cess or fee, levied under sections 119 to 122 of this Act;

(ii) the proceeds of the duty on transfers of property levied under section 124 of this Act;

(iii) the share of the local cess under section 115;

(iv) in respect of village panchayat fund, the village house-tax matching grant;

(v) the taxes and tolls levied in the village under sections 117 and 118 of the Madras Public Health Act, 1939 (Madras Act III of 1939);

(vi) fees levied in public markets classified as panchayat markets after deducting the contributions, if any, paid by the panchayat to the panchayat union council on the scale fixed by the Government;

(vii) the contribution paid to the panchayat by panchayat union councils in respect of markets classified as panchayat union markets;

(viii) fees for the temporary occupation of village-sites, roads and other similar public places or parts thereof in the village or town;

(ix) fees levied by the panchayat in pursuance of any provision in this Act or any rule or order made thereunder;

(x) income from endowments and trusts under the management of the panchayat;

(xi) the net assessment on service inams which are resumed by the Government;

(xii) the proportionate share of the proceeds of the entertainments tax received by the panchayat under section 13 of the Madras Entertainments Tax Act, 1939 (Madras Act X of 1939);

(xiii) income derived from village fisheries;

(xiv) income derived from ferries under the management of the panchayat;



(xv) unclaimed deposits and other forfeitures;

(xvi) a sum equivalent to the seigniorage fees collected by the Government every year from persons permitted to quarry for road materials in the village or town, as the case may be;

(xvii) all income derived from porambokes the user of which is vested in the panchayat;

(xviii) where the village or town, as the case may be, is in a ryotwari tract, all income derived from trees standing on porambokes although the user of the porambokes is not vested in the panchayat;

(xix) income from leases of Government property obtained by the panchayat;

(xx) fines and penalties levied under this Act by the town panchayat or the village panchayat or at the instance or on behalf of either the town panchayat or the village panchayat;

(xxi) all sums other than those enumerated above which arise out of, or are received in aid of or for expenditure on, any institutions or services maintained or financed from the panchayat fund or managed by the panchayat;

(xxii) all other moneys received by the panchayat.

#### EXPENDITURE.

138. *Application of moneys received and expenditure from funds.*—All moneys received by the panchayat union council, the village panchayat or the town panchayat shall be applied and disposed of in accordance with the provisions of this Act and other laws :

Provided that the panchayat union council or the panchayat shall have power subject to such rules as may be prescribed to direct that the proceeds of any tax or additional tax levied under this Act shall be earmarked for the purpose of financing any specific public improvement. A separate account shall be kept of the receipts from every such tax or additional tax and the expenditure thereof.

139. *Expenditure from panchayat fund and panchayat union fund.*—(1) The purposes to which the funds of the panchayat union council or of the village panchayat or the town panchayat may be applied include all objects expressly declared obligatory or discretionary by this Act or any rules made thereunder or by any other laws or rules and the funds shall be applicable thereto within the panchayat development block or the village or town, as the case may be, subject to such rules or special orders as the Government may prescribe or issue and



shall, subject as aforesaid be applicable to such purposes outside the panchayat development block or village or town if the expenditure is authorized by this Act or specially sanctioned by the Inspector.

(2) It shall be the duty of every panchayat union council and panchayat to provide for the payment of—

(i) any amounts falling due on any loans contracted by it;

(ii) the salaries and allowances and the pensions, pensionary contributions and provident fund contributions of its officers and servants;

(iii) sums due under any decree or order of a Court; and

(iv) any other expenses rendered obligatory by or under this Act or any other law.

(3) A panchayat union council or panchayat, may, with the sanction of the Government, contribute to any fund for the defence of India.

(4) A panchayat union council or panchayat, may, with the sanction of the Inspector also—

(i) contribute towards the expenses of any public exhibition, ceremony or entertainment in the panchayat development block or village or town;

(ii) contribute to any charitable fund, or to the funds of any institution for the relief of the poor or the treatment of disease or infirmity or the reception of diseased or infirm persons or the investigation of the causes of disease; and

(iii) defray any other extraordinary charges.

140. *Preparation and sanction of budgets.*—(1) The executive authority of the panchayat and the commissioner, shall in each year frame and place before the panchayat or the panchayat union council, as the case may be, a budget showing the probable receipts and expenditure during the following year.

(2) The budget of a panchayat or panchayat union council shall after preparation by the executive authority or the commissioner, be submitted on or before such date and to such officer as may be prescribed, and if the prescribed officer is satisfied that adequate provision has not been made therein for the performance of any necessary service or services, he shall have power to return the budget for modification in such manner as may be necessary to secure such provision.

(3) The panchayat or the panchayat union council, as the case may be, shall sanction the budget with such modification as it thinks fit. If there is a difference of opinion



between the officer referred to in sub-section (2) and the panchayat and the panchayat union council, as the case may be, the budget shall be referred to the Inspector in the case of panchayats and the Government in the case of the panchayat union council. The Inspector or the Government as the case may be shall have power to modify the budget in such manner as he or they may consider necessary.

(4) If in the course of a year, a panchayat or panchayat union council finds it necessary to alter the figures shown in the budget with regard to its receipts or to the distribution of the amounts to be expended on the different services undertaken by it, a supplemental or revised budget may be framed, sanctioned, submitted and modified in the manner provided in sub-sections (1) and (2), provided that no such alteration shall be given effect to except with the consent of the prescribed officer.

(5) On or before such date in each year as may be prescribed, every commissioner shall submit to the Government through such officer and in such forms as may be prescribed a budget for the ensuing financial year showing the income and expenditure relating to the panchayat union (education) fund.

(6) The Government may pass such orders as they think fit in respect of the budget referred to in sub-section (5) and the panchayat union council concerned shall be bound to carry out all such orders.

(7) The accounts of the panchayat union (education) fund shall be examined and audited by an auditor appointed by the Government under section 141, and the panchayat union council concerned shall carry out any instructions which the Government may issue on the audit report.

**141. Appointment of auditors.**—(1) The Government shall appoint auditors of the accounts of the receipts and expenditure of the funds of the panchayat union council and of the panchayat. Such auditors shall be deemed to be "public servants" within the meaning of section 21 of the Indian Penal Code (Central Act XLV of 1860).

(2) No contribution shall be recovered by the Government from the panchayat union council or the panchayat towards the pay and allowances of such auditors or towards any other expenditure involved in the audit of the accounts of the panchayat union council or the panchayat.

**142. Contribution to expenditure by other local authorities.**—If the expenditure incurred by the Government or by any panchayat union council or by any panchayat or by any other local authority in the State for any purpose authorized by or under this Act, is such as to benefit the inhabitants of the village or town, the panchayat union council or the



panchayat as the case may be, may with the sanction of the Inspector, and shall if so directed by him, make a contribution towards such expenditure.

143. *Recovery of loans and advances made by Government.*—(1) Notwithstanding anything contained in the Local Authorities Loans Act, 1914 (Central Act IX of 1914), the Government may—

(a) by order direct any person having custody of the funds of the panchayat union council or the panchayat to pay to them in priority to any other charges against such fund, except charges for the service of authorized loans, any loan or advance made by them to the panchayat union council or the panchayat for any purpose to which its funds may be applied under this Act;

(b) recover any such loan or advance by suit.

(2) The person to whom the order referred to in clause (a) of sub-section (1) is addressed shall be bound to comply with such order.

#### CHAPTER V.—CONTROLLING AUTHORITIES.

144. *Appointment of officers to supervise panchayat union councils and panchayats.*—(1) The Government may appoint such officers as may be required for the purpose of inspecting or superintending the operations of all or any of the panchayats and the panchayat union councils constituted under this Act.

(2) The Government shall have power to regulate by rules made under this Act the classification, methods of recruitment, conditions of service, pay and allowances and discipline and conduct of the officers referred to in sub-section (1) and of the members of their establishment.

145. *Powers of inspecting officers.*—(1) The Inspector or the Collector or any officer appointed under section 144 or any other officer or person whom the Government, or the Inspector or the Collector may empower in this behalf, may—

(a) enter on and inspect any immovable property, or any work in progress, under the control of any panchayat or its executive officer or of any panchayat union council or commissioner;

(b) enter any school, dispensary, vaccination station or choultry maintained by, or under the control of any panchayat union council or any other institution maintained by or under the control of any panchayat or panchayat union council and inspect any records, registers or other documents kept in any such institution;

(c) enter the office of any panchayat or panchayat union council and inspect any records, registers or other documents kept therein.



(2) Panchayats and their presidents, executive authorities, panchayat union councils and their chairmen, commissioners and the officers and servants of panchayats and panchayat union councils shall be bound to afford to the officers and persons aforesaid, such access, at all reasonable times, to panchayat or panchayat union property or premises and to all documents as may, in the opinion of such officers or persons, subject to such rules as may be prescribed, be necessary to enable them to discharge their duties under this section.

146. *Powers of officers for purpose of control.*—The Inspector or any officer or person whom the Government or the Inspector may empower in this behalf may—

(a) direct the panchayat or panchayat union council to make provision for and to execute or provide any public work or amenity, or service of the description referred to in sections 63 and 65;

(b) call for any record, register or other document in the possession, or under the control, of any panchayat or executive authority, or of any panchayat union council or commissioner;

(c) require any panchayat or its executive authority or any panchayat union council or commissioner to furnish any return, plan, estimate, statement, account or statistics;

(d) require any panchayat or its executive authority or any panchayat union council or commissioner to furnish any information or report on any matter connected with such panchayat or panchayat union council;

(e) require any panchayat or its executive authority or any panchayat union council or the commissioner to obtain his previous sanction before giving up a claim or closing down any institution which is a source of income;

(f) record in writing for the consideration of any panchayat or its executive authority or of any panchayat union council or commissioner any observations in regard to its or his proceedings or duties.

147. *Power to suspend or cancel resolution, etc., under the Act.*—(1) The Inspector may, by order in writing,—

(i) suspend or cancel any resolution passed, order issued, or licence or permission granted, or

(ii) prohibit the doing of any act which is about to be done or is being done, in pursuance or under colour of this Act, if in his opinion,—

(a) such resolution, order, licence, permission or act has not been legally passed, issued, granted or authorized, or



(b) such resolution, order, licence, permission or act is in excess of the powers conferred by this Act or any other law or an abuse of such powers or is considered by the Inspector to be otherwise undesirable, or

(c) the execution of such resolution or order, or the continuance in force of such licence or permission or the doing of such act is likely to cause danger to human life, health or safety, or is likely to lead to a riot or an affray :

Provided that nothing in this sub-section shall enable the Inspector to set aside any election which has been held.

(2) The Inspector shall, before taking action on any of the grounds referred to in clauses (a) and (b) of sub-section (1), give the authority or person concerned an opportunity for explanation.

(3) The power conferred on the Inspector under clause (c) of sub-section (1) may be exercised by the Collector in accordance with the provisions of that clause.

148. *Emergency powers of Collector and Inspector.*—Subject to such control as may be prescribed, the Inspector or the Collector may, in cases of emergency, direct or provide for the execution of any work, or the doing of any act which a panchayat or its executive authority or a panchayat union council or commissioner is empowered to execute or do, and the immediate execution or doing of which is in his opinion necessary for the safety of the public, and may direct that the expense of executing such work or doing such act shall be paid by the person having the custody of the panchayat fund or the panchayat union fund in priority to any other charges against such fund except charges for the service of authorized loans.

149. *Power to take action in default of a panchayat, president or executive authority.*—(1) If at any time it appears to the Inspector that a panchayat, president or executive authority or that a panchayat union council or its chairman or commissioner has made default in performing any duty imposed by or under this or any other Act, he may, by order in writing, fix a period for the performance of such duty.

(2) If such duty is not performed within the period so fixed, the Inspector may appoint some person to perform it, and may direct that the expense of performing it shall be paid by the person having the custody of the panchayat fund or the panchayat union fund as the case may be in priority to any other charges against such fund except charges for the service of authorized loans.

150. *Removal of president or vice-president.*—(1) If, in the opinion of the Inspector, the president or vice-president, wilfully omits or refuses to carry out or disobeys the provisions of this Act or any rules, by-laws, regulations or lawful orders



issued thereunder or abuses the powers vested in him, the Inspector shall, by notice in writing, require the president or the vice-president, as the case may be, to offer within a specified date, his explanation with respect to his acts of omission or commission mentioned in the notice.

(2) If the explanation is received within the specified date and the Inspector considers that the explanation is satisfactory, he may drop further action with respect to the notice. If no explanation is received within the specified date or if the explanation received is in his opinion not satisfactory, he shall forward to the Tahsildar of the taluk a copy of the notice referred to in sub-section (1) and the explanation of the president if received within the specified date with a proposal for the removal of the president or the vice-president for the consideration of the panchayat.

(3) The Tahsildar shall then convene a meeting for the consideration of the notice and the explanation, if any, and the proposal for the removal of the president or vice-president, at the office of the panchayat at a time appointed by the Tahsildar.

(4) A copy of the notice of the meeting shall be caused to be delivered to the president or vice-president concerned and to all the members of the panchayat by the Tahsildar at least seven days before the date of the meeting.

(5) The Tahsildar shall preside at the meeting convened under this section and no other person shall preside thereat. If, within half an hour appointed for the meeting, the Tahsildar is not present to preside at the meeting, the meeting shall stand adjourned to a time to be appointed and notified to the members by the Tahsildar under sub-section (6).

(6) If the Tahsildar 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 be not 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 members if the time appointed for the adjourned meeting.

(7) Save as provided in sub-sections (5) and (6), a meeting convened for the purpose of considering the notice and the explanation, if any, and the proposal for the removal of the president or the vice-president under this section shall not, for any reason, be adjourned.

(8) As soon as the meeting convened under this section is commenced, the Tahsildar shall read to the panchayat the notice of the Inspector and the explanation, if any, of the president or the vice-president, as the case may be, for the consideration of which it has been convened.

(9) There shall be no debate in any meeting under this section.



(10) The Tahsildar shall not speak on the merits of the notice or explanation nor shall he be entitled to vote at the meeting.

(11) The decision of the panchayat accepting or rejecting the proposal of the Inspector shall be duly recorded in the minutes of the meeting and a copy of the minutes shall forthwith on the termination of the meeting be forwarded by the Tahsildar to the Inspector.

(12) If the proposal has been accepted by the panchayat at the meeting, the Inspector shall, by notification, remove the president or vice-president, as the case may be, from office.

(13) Any person in respect of whom a notification has been issued under sub-section (12) removing him from the office of president or vice-president shall be ineligible for election as president or vice-president and for holding any of those offices until the date on which notice of the next ordinary elections to the panchayat is published in the prescribed manner, or the expiry of one year from the date specified in the notification, whichever is earlier.

**151. Removal of chairman or vice-chairman.**—(1) If, in the opinion of the Government, the chairman or vice-chairman wilfully omits or refuses to carry out or disobeys the provisions of this Act or any rules, by-laws, regulations or lawful orders issued thereunder or abuses the powers vested in him, the Government shall, by notice in writing, require the chairman or the vice-chairman, as the case may be, to offer within a specified date, his explanation with respect to his acts of omission or commission mentioned in the notice.

(2) If the explanation is received within the specified date, and the Government consider that the explanation is satisfactory, the Government may drop further action with respect to the notice. If no explanation is received within the specified date or if the explanation received is in their opinion not satisfactory, the Government shall forward to the Revenue Divisional Officer of the division concerned a copy of the notice referred to in sub-section (1) and the explanation of the chairman or vice-chairman with a proposal for the removal of the chairman or vice-chairman from office.

(3) The Revenue Divisional Officer shall then convene a meeting for the consideration of the notice and the explanation, if any, and the proposal for the removal of the chairman or vice-chairman at the office of the panchayat union council at a time appointed by the Revenue Divisional Officer.

(4) A copy of the notice of the meeting shall be caused to be delivered to the chairman or vice-chairman concerned



and to all the members of the panchayat union council by the Revenue Divisional Officer at least seven days before the date of the meeting.

(5) The Revenue Divisional Officer shall preside at the meeting convened under this section and no other person shall preside thereat. If within half an hour appointed for the meeting, the Revenue Divisional Officer is not present to preside at the meeting, the meeting shall stand adjourned to a time to be appointed and notified to the members by the Revenue Divisional Officer, under sub-section (6).

(6) If the Revenue Divisional Officer 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 be not 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 members of the time appointed for the adjourned meeting.

(7) Save as provided in sub-sections (5) and (6), a meeting convened for the purpose of considering the notice and the explanation, if any, and the proposal for the removal of the chairman or the vice-chairman under this section shall not, for any reason, be adjourned.

(8) As soon as the meeting convened under this section is commenced, the Revenue Divisional Officer shall read to the panchayat union council the notice of the Government and the explanation, if any, of the chairman or the vice-chairman, as the case may be, for the consideration of which it has been convened.

(9) There shall be no debate in any meeting under this section.

(10) The Revenue Divisional Officer shall not speak on the merits of the notice or explanation nor shall he be entitled to vote at the meeting.

(11) The decision of the panchayat union council accepting or rejecting the proposal of the Government shall be duly recorded in the minutes of the meeting and a copy of the minutes shall forthwith on the termination of the meeting be forwarded by the Revenue Divisional Officer to the Government.

(12) If the proposal has been accepted by the panchayat union council at the meeting, the Government shall, by notification, remove the chairman or vice-chairman, as the case may be, from office.

(13) Any person in respect of whom a notification has been issued under sub-section (12) removing him from the office of chairman or vice-chairman shall be ineligible for election as chairman or vice-chairman and for holding any of



those offices until the date on which notice of the next ordinary elections to the panchayat union council is published in the prescribed manner or the expiry of one year from the date specified in the notification whichever is earlier.

152. *Motion of no-confidence in president or vice-president of panchayat.*—(1) Subject to the provisions of this section, a motion expressing want of confidence in the president or vice-president of a panchayat may be made in accordance with the procedure laid down herein.

(2) Written notice of intention to make the motion, signed by members of the panchayat not less in number than one-half of the sanctioned strength of the panchayat, together with a copy of the motion which is proposed to be made, and a written statement of the charges against the president or the vice-president, as the case may be, shall be delivered in person to the tahsildar of the taluk by any two of the members of the panchayat signing the notice.

(3) A copy of the statement of charges along with the notice of the meeting shall be caused to be delivered to the president or vice-president concerned by the tahsildar, and the president or vice-president shall be required to give a statement in reply to the charges within a week of the receipt of the notice by the president or vice-president.

(4) The tahsildar shall, after the expiry of the period of the notice issued under sub-section (3) convene a meeting for the consideration of the motion, at the office of the panchayat at a time appointed by him.

(5) The tahsildar shall give to the members notice of not less than fifteen clear days of such meeting and of the time appointed therefor.

(6) The tahsildar 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 tahsildar is not present to preside at the meeting, the meeting shall stand adjourned to a time to be appointed and notified to the members by the tahsildar under sub-section (7).

(7) If the tahsildar 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 (4). Notice of not less than seven clear days shall be given to the members of the time appointed for the adjourned meeting.

(8) Save as provided in sub-sections (6) and (7), a meeting convened for the purpose of considering a motion under this section shall not for any reason be adjourned.

(9) As soon as the meeting convened under this section has commenced, the tahsildar shall read to the panchayat the motion for the consideration of which it has been convened,



the statement of charges and the written statement, if any, of the president or vice-president in reply to the said charges.

(10) There shall be no debate on any motion under this section.

(11) The tahsildar shall not speak on the merits of the motion, nor shall he be entitled to vote thereon.

(12) 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 tahsildar to the Inspector.

(13) If the motion is carried with the support of not less than two-thirds of the sanctioned strength of the panchayat, the Inspector shall, by notification, remove the president or vice-president of the panchayat as the case may be.

(14) If the motion is not carried by such a majority as aforesaid, or if the meeting cannot be held for want of the quorum referred to in sub-section (13), no notice of any subsequent motion expressing want of confidence in the same president or vice-president shall be received until after the expiry of six months from the date of the meeting.

(15) No notice of a motion under this section shall be received within six months of the assumption of office by the president or vice-president as the case may be.

153. *Motion of no-confidence in chairman or vice-chairman of panchayat union council.*—(1) Subject to the provisions of this section, a motion expressing want of confidence in the chairman or vice-chairman of a panchayat union council may be made in accordance with the procedure laid down herein.

(2) Written notice of intention to make the motion, signed by members of the panchayat union council not less in number than one-half of the sanctioned strength of the panchayat union council, together with a copy of the motion which is proposed to be made and a written statement of the charges against the chairman or the vice-chairman, as the case may be, shall be delivered in person to the Revenue Divisional Officer of the division by any two of the members of the panchayat union council signing the notice.

(3) A copy of the statement of charges along with the motion shall be caused to be delivered to the chairman or vice-chairman concerned by the Revenue Divisional Officer and the chairman or vice-chairman concerned shall be required to give a statement in reply to the charges within a week of the receipt of the motion by the chairman or vice-chairman.

(4) The Revenue Divisional Officer shall then convene a meeting for the consideration of the motion at the office of the panchayat union council at a time appointed by him.



(5) The Revenue Divisional Officer shall give to the members notice of not less than fifteen clear days of the meeting and of the time appointed therefor.

(6) The Revenue Divisional Officer 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 Revenue Divisional Officer is not present to preside at the meeting, the meeting shall stand adjourned to a time to be appointed and notified to the members by the Revenue Divisional Officer under sub-section (7).

(7) If the Revenue Divisional Officer 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 (4). Notice of not less than seven clear days shall be given to the members of the time appointed for the adjourned meeting.

(8) Save as provided in sub-sections (6) and (7), a meeting convened for the purpose of considering a motion under this section shall not for any reason be adjourned.

(9) As soon as the meeting convened under this section has commenced, the Revenue Divisional Officer shall read to the panchayat union council the motion for the consideration of which it has been convened, the statement of charges and the statement, if any, of the chairman or vice-chairman in reply to the said charges.

(10) There shall be no debate on any motion under this section.

(11) The Revenue Divisional Officer shall not speak on the merits of the motion, nor shall he be entitled to vote thereon.

(12) 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 Revenue Divisional Officer to the Government.

(13) If the motion is carried with the support of not less than two-thirds of the sanctioned strength of the panchayat union council, the Government shall, by notification, remove the chairman or vice-chairman of the panchayat union council as the case may be.

(14) If the motion is not carried by such a majority as aforesaid, or if the meeting cannot be held for want of the quorum referred to in sub-section (13), no notice of any subsequent motion expressing want of confidence in the same chairman or vice-chairman shall be received until after the expiry of six months from the date of the meeting.



(15) No notice of a motion under this section shall be received within six months of the assumption of office by the chairman or vice-chairman as the case may be.

154. *Dissolution of panchayats.*—(1) If in the opinion of the Government, a panchayat is not competent to perform or persistently makes default in performing the duties imposed on it by law, or exceeds or abuses its powers, they may, by notification—

(a) dissolve the panchayat from a specified date; and

(b) direct that the panchayat be reconstituted with effect from a date which shall not be later than one year from the date of dissolution.

(2) Before publishing a notification under sub-section (1), the Government shall communicate to the panchayat the grounds on which they propose to do so, fix a reasonable period for the panchayat to show cause against the proposal and consider its explanations and objections, if any.

(3) On the date fixed for the dissolution of a panchayat under sub-section (1) all its members as well as its president and vice-president shall forthwith be deemed to have vacated their offices as such and thereupon the provisions contained in the proviso to sub-section (2) of section 11 shall apply.

(4) In case the president or vice-president or a member of a panchayat which is dissolved under this section is the chairman or vice-chairman or a member of a panchayat union council, he shall, with effect on and from the date of the dissolution be deemed to have vacated his office as such chairman, vice-chairman or member notwithstanding anything contained in sub-section (1) of section 19.

(5) On the reconstitution of the panchayat after the dissolution, the Government may pass such orders as they deem fit as to the transfer to the panchayat from the panchayat union council of the assets or institutions which were acquired by the panchayat union council during the period of the dissolution on behalf of the panchayat and as to the discharge of the liabilities, if any, of such panchayat relating to such assets or institutions.

(6) The members of a reconstituted panchayat shall enter upon their offices on the date fixed for its reconstitution and their term of office shall expire in such year and on such date as the Government may fix.

155. *Dissolution of panchayat union councils.*—(1) If in the opinion of the Government a panchayat union council is not competent to perform or persistently makes default in performing the duties imposed on it by law or exceeds or abuses its powers, they may by notification—

(a) dissolve the panchayat union council from a specified date; and



(b) direct that the panchayat union council be re-constituted with effect from a date which shall not be later than one year from the date of dissolution.

(2) Before publishing a notification under sub-section (1), the Government shall communicate to the panchayat union council the grounds on which they propose to do so, fix a reasonable period for the panchayat union council to show cause against the proposal and consider its explanations and objections, if any.

(3) On the date fixed for the dissolution of a panchayat union council under sub-section (1) all its members as well as its chairman and vice-chairman shall forthwith be deemed to have vacated their offices as such.

(4) During the interval between the dissolution and the reconstitution of a panchayat union council, the Inspector may appoint a person to exercise the powers and discharge the duties of the panchayat union council and of its chairman :

Provided that any person to be appointed under the provisions of this sub-section shall be a person in the service of the Government not below the rank of a tahsildar or a commissioner.

(5) The members of a reconstituted panchayat union council shall enter upon their offices on the date fixed for its re-constitution and their term of office shall expire in such year and on such date as the Government may fix.

(6) When a panchayat union council is dissolved under this section, the Government until the date of the reconstitution of the panchayat union council and the reconstituted panchayat union council thereafter shall be entitled to all the assets and be subject to all the liabilities of the panchayat union council as on the date of the dissolution and on the date of the reconstitution respectively.

156. *Powers of officers acting for or in default of panchayat or panchayat union council and liability of panchayat or panchayat union fund.*—The Government, the Inspector or any other person lawfully taking action on behalf, or in default, of a panchayat or a panchayat union council under this Act, shall have such powers as are necessary for the purpose and shall be entitled to the same protection under this Act as the panchayat or the panchayat union council or its officers or servants whose powers are exercised; and compensation shall be recoverable from the panchayat fund or the panchayat union fund by any person suffering damage from the exercise of such powers to the same extent, as if the action had been taken by the panchayat or the panchayat union council or their officers or servants.



157. *Delegation of powers.*—(1) The Government may by notification authorize any authority or officer not below the rank of a Collector to exercise in regard to any panchayat or any class of panchayats or all panchayats in any area or in regard to any panchayat union council or any class of panchayat union councils or all panchayat union councils in any area any of the powers vested in them by this Act except the power to make rules and may in like manner withdraw such authority.

(2) The Inspector or the Collector may by notification authorize any officer not below the rank of a Revenue Divisional Officer to exercise in respect of any panchayat union council or any class of panchayat union councils or all panchayat union councils in the area under the jurisdiction of such officer any of the powers vested by this Act in the Inspector or the Collector as the case may be and may in like manner withdraw such authority.

(3) The Inspector or the Collector may by notification authorize any officer not below the rank of a commissioner to exercise in respect of any panchayat or any class of panchayats or all panchayats in the panchayat development block any of the powers vested by this Act in the Inspector or the Collector as the case may be and may in like manner withdraw such authority.

(4) The exercise of any power delegated under sub-sections (1) to (3) shall be subject to such restrictions and conditions as may be prescribed or as may be specified in the notification and also to control and revision by the delegating authority, or where such authority is the Government by such officer as may be empowered by the Government in this behalf. The Government shall also have power to control and revise the acts or proceedings of any officer so empowered.

(5) The exercise of any power conferred on the Inspector or the Collector by any of the provisions of this Act including sub-sections (2) to (4) of this section shall whether such power is exercised by the Inspector or the Collector himself or by any officer to whom it has been delegated under sub-section (2) or (3) be subject to such restrictions and conditions as may be prescribed and also to control by the Government or by such officer as may be empowered by them in this behalf. The Government shall also have power to control the acts or proceedings of any officer so empowered.

158. *Revision.*—(1) The Government may, in their discretion, after consulting the Inspector, Collector or such other officer or authority as they may deem fit, at any time, either *suo motu* or on application, call for and examine the record



of any order passed or proceeding recorded under the provisions of this Act by—

(a) the Inspector or the Collector or any officer authorized by the Inspector or the Collector under sub-section (2) or (3) of section 157, or

(b) any officer authorized by the Government under sub-section (1) of that section or any officer empowered by them under sub-section (4) of that section, or

(c) any other authority or officer, for the purpose of satisfying themselves as to the legality or propriety of such order, or as to the regularity of such proceeding and pass such order in reference thereto as they think fit.

(2) The powers of the nature referred to in sub-section (1) may also be exercised by such authority or officer as may be empowered in this behalf by the Government.

## CHAPTER VI.—GENERAL AND MISCELLANEOUS.

### LICENCES AND PERMISSIONS.

159.—*General provisions regarding licences and permissions.*—(1) Save as otherwise expressly provided in or may be prescribed under this Act, every application for any licence or permission under this Act or any rule, by-law or regulation made thereunder, or for the renewal thereof, shall be made not less than thirty and not more than ninety days before the earliest date with effect from which, or the commencement of the period (being a year or such less period as is mentioned in the application) for which the licence or permission is required.

(2) Save as aforesaid, for every such licence or permission, fees may be charged on such units and at such rates as may be fixed by the panchayat or the panchayat union council as the case may be, provided that the rates shall not exceed the maxima, if any, prescribed.

(3) Save as aforesaid, if orders on an application for any such licence or permission are not communicated to the applicant within thirty days or such longer period as may be prescribed in any class of cases after the receipt of the application by the executive authority of the panchayat or the commissioner, the application shall be deemed to have been allowed for the period, if any, for which it would have been ordinarily allowed and subject to the law, rules, by-laws and regulations and all conditions ordinarily imposed.

(4) The acceptance of the pre-payment of the fee for any such licence or permission shall not entitle the person making



such pre-payment to the licence or permission, but only to a refund of the fee in case of refusal of the licence or permission.

(5) If an act for which any such licence or permission is necessary is done without such licence or permission, or in a manner inconsistent with the terms of the licence or permission obtained, then—

(a) the executive authority of the panchayat or 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; and further,

(b) if no penalty has been specially provided in this Act for so doing such act, the person so doing it shall be punishable with fine not exceeding fifty rupees for every such offence.

(6) Whenever any person is convicted of an offence in respect of the failure to obtain any such licence or permission, the Magistrate shall, in addition to any fine which may be imposed, recover summarily and pay over to the panchayat or the panchayat union council, as the case may be, the amount of the fee chargeable for the licence or permission, and may, in his discretion, also recover summarily and pay over to the panchayat or the panchayat union council, as the case may be, such amount, if any, as he may fix as the costs of the prosecution.

*Explanation.*—The recovery of the fee for a licence or permission under this sub-section shall not entitle the person convicted to the licence or permission.

160. *Government and market committees not to obtain licences and permissions.*—Nothing in this Act or in any rule, by-law or regulation made thereunder shall be construed as requiring the taking out of any licence or the obtaining of any permission under this Act or any such rule, by-law or regulation in respect of any place in the occupation or under the control of the Central or the State Government or of a market committee established under the Madras Commercial Crops Markets Act, 1933 (Madras Act XX of 1933), or in respect of any property of the Central or the State Government or of any property belonging to such market committee.

#### POWER TO ENFORCE NOTICES, ORDERS, ETC.

161. *Time for complying with notice, order, etc., and power to enforce in default.*—(1) Whenever by any notice, requisition or order under this Act, or under any rule, by-law or regulation made thereunder, any person is required to



execute any work, to take any measures or to do anything, a reasonable time shall be named in such notice, requisition or order within which the work shall be executed, the measures taken or the thing done.

(2) If such notice, requisition or order is not complied with within the time so named—

(a) the executive authority or the panchayat or the commissioner as the case may be may cause such work to be executed, or may take any measures or do anything which may, in his opinion, be necessary for giving due effect to the notice, requisition or order, and further,

(b) if no penalty has been specially provided in this Act for failure to comply with such notice, requisition or order, the said person shall be punishable with fine not exceeding fifty rupees for every such offence.

#### POWERS OF ENTRY AND INSPECTION.

162. *Powers of entry and inspection.*—(1) Subject to such restrictions and conditions as may be prescribed, the executive authority or the commissioner or any person authorized by him may enter on or into any place, building or land, with or without assistants or workmen in order—

(a) to make any inquiry, inspection, test, examination, survey, measurement or valuation or to execute any other work, which is authorized by the provisions of this Act or of any rule, by-law, regulation or order made under it or which it is necessary to make or execute for any of the purposes of this Act or in pursuance of any of the said provisions, or

(b) to satisfy himself that nothing is being done in such place, building or land for which a licence or permission is required under any of the said provisions, without such licence or permission or otherwise than in conformity with the terms of the licence or permission obtained.

(2) No claim shall lie against any person for any damage or inconvenience necessarily caused by the exercise of powers under sub-section (1) or the use of any force necessary for effecting an entrance under that sub-section.

163. *Testing of weights and measures.*—The executive authority or the commissioner or any person authorized by him may examine and test the weights and measures used in the markets and shops in the village or town or the panchayat union as the case may be with a view to the prevention and punishment of offences relating to such weights and measures under Chapter XIII of the Indian Penal Code (Central Act XLV of 1860).



164. *Power to call for information from village headmen and karnams.*—(1) The executive authority or the commissioner may, by an order in writing, require the headman or karnam or both of any revenue village comprised within the jurisdiction of the panchayat or panchayat union council to furnish him with information on any matter falling within such categories as may be prescribed in respect of such village or any part thereof or any person or property therein.

(2) The order shall specify the period within which it may be complied with but the executive authority or the commissioner may, from time to time, extend such period.

#### LIMITATION.

165. *Limitation for recovery of dues.*—No distraint shall be made, no suit shall be instituted and no prosecution shall be commenced in respect of any tax or other sum due to a panchayat or panchayat union council under this Act or any rule, by-law, regulation or order made under it after the expiration of a period of three years from the date on which distraint might first have been made, a suit might first have been instituted, or prosecution might first have been commenced, as the case may be, in respect of such tax or sum.

#### PROSECUTIONS, SUITS, ETC.

166. *Persons empowered to prosecute.*—Save as otherwise expressly provided in this Act, no person shall be tried for any offence against this Act or any rule or by-law made thereunder unless complaint is made within three months of the commission of the offence by the Police, the executive authority, the panchayat union council, the commissioner or a person expressly authorized in this behalf by the panchayat, panchayat union council, executive authority or commissioner, but nothing herein shall affect the provisions of the Code of Criminal Procedure, 1898 (Central Act V of 1898), in regard to the power of certain Magistrates to take cognizance of offences upon information received or upon their own knowledge or suspicion :

Provided that failure to take out a licence or obtain permission under this Act shall, for the purposes of this section, be deemed to be a continuing offence until the expiration of the period, if any, for which the licence or permission is required and if no period is specified, complaint may be made at any time within twelve months from the commencement of the offence.

167. *Composition of offences.*—The executive authority or the commissioner may, subject to such restrictions and control, as may be prescribed compound any offence against this Act or any rule or by-law made thereunder, which may by rules be declared compoundable.



168. *Prosecutions and compositions to be reported to panchayat or panchayat union council.*—Every prosecution instituted or offence compounded by the executive authority or the commissioner shall be reported by him to the panchayat or panchayat union council as the case may be at its next meeting.

169. *Sanction for prosecution.*—(1) When the president or the executive authority or the chairman or vice-chairman of a panchayat union council or the commissioner or any member is accused of any offence alleged to have been committed by him while acting or purporting to act in the discharge of his official duty, no court shall take cognizance of such offence except with the previous sanction of the Government.

(2) When according previous sanction under sub-section (1), it shall be open to the Government to direct by order that the president, executive authority, chairman, vice-chairman or commissioner, as the case may be, shall not discharge his duties as such until the disposal of the case.

170. *Notice of action against panchayat, etc.*—(1) Subject to the provisions of section 171, no suit or other legal proceeding shall be brought against any panchayat or its president or executive authority or any panchayat union council or its chairman or the commissioner or any member, officer or servant thereof or against any person acting under the direction of such panchayat, president, panchayat union council, chairman, executive authority, commissioner, member, officer or servant, in respect of any act done or purporting to be done under this Act or in respect of any alleged neglect or default in the execution of this Act or any rule, by-law, regulation or order made under it until the expiration of two months next after notice in writing, stating the cause of action, the nature of the relief sought, the amount of compensation claimed and the name and place of residence of the intended plaintiff has been left at the office of the panchayat or panchayat union council, and if the proceeding is intended to be brought against any such president, executive authority, chairman, commissioner, member, officer, servant or person, also delivered to him or left at his place of residence.

(2) Every such proceeding shall, unless it is a proceeding for the recovery of immovable property or for a declaration of title thereto, be commenced within six months after the date on which the cause of action arose or in case of a continuing injury or damage, during such continuance or within six months after the ceasing thereof.

(3) If any panchayat, panchayat union council or person to whom notice is given under sub-section (1) tenders amends to the plaintiff before the proceeding is commenced and if the plaintiff does not in such proceeding



recover more than the amount so tendered, he shall not recover any costs incurred by him after such tender; and the plaintiff shall also pay all costs incurred by the defendant after such tender.

171. *Protection of chairman, president and officers acting in good faith.*—No suit or other legal proceeding shall be brought against the chairman, commissioner, president, executive authority or any member, officer or servant of a panchayat union council or panchayat, or any person acting under the direction of a panchayat union council or panchayat or of such chairman, commissioner, president, executive authority, member, officer or servant in respect of any act done or purporting to be done under this Act or in respect of any alleged neglect or default on his part in the execution of this Act, or any rule, by-law, regulation or order made under it, if such act was done, or such neglect or default occurred in good faith; but any such proceeding shall, so far as it is maintainable in a court, be brought against the panchayat union council or the panchayat except in the case of suits brought under section 173.

172. *Injunctions not to be granted in election proceedings.*—Notwithstanding anything contained in the Code of Civil Procedure, 1908 (Central Act V of 1908), or in any other law for the time being in force, no court shall grant any permanent or temporary injunction or make any interim order restraining any proceeding which is being or about to be taken under this Act for the preparation or publication of any electoral roll or for the conduct of any election.

173. *Liability of the president, executive authority and members for loss, waste or misapplication of property.*—(1) The president, executive authority and every member of a panchayat and the chairman, commissioner and every member of a panchayat union council shall be liable for the loss, waste or misapplication of any money or other property owned by or vested in the panchayat or panchayat union council if such loss, waste or misapplication is a direct consequence of his neglect or misconduct; and a suit for compensation may be instituted against him in any court of competent jurisdiction by the panchayat or panchayat union council with the previous sanction of the Inspector.

(2) Every such suit shall be commenced within three years after the date on which the cause of action arose.

174. *Assessments, etc., not to be impeached.*—(1) No assessment or demand made, and no charge imposed, under the authority of this Act shall be impeached or affected by reason of any clerical error or by reason of any mistake (a) in respect of the name, residence, place of business or occupation of any person, or (b) in the description of any property



or thing, or (c) in respect of the amount assessed, demanded or charged, provided that the provisions of this Act have in substance and effect been complied with. And no proceedings under this Act shall, merely for defect in form, be quashed or set aside by any Court of Justice.

(2) No suit shall be brought in any court to recover any sum of money collected under the authority of this Act or to recover damages on account of assessment or collection of money made under the said authority :

Provided that the provisions of this Act have in substance and effect been complied with.

(3) No distraint or sale under this Act shall be deemed unlawful, nor shall any person making the same be deemed a trespasser, on account of any error, defect, or want of form in the bill, notice, schedule, form, summons, notice of demand, warrant of distraint, inventory, or other proceeding relating thereto, if the provisions of this Act, and of the rules and by-laws made thereunder have in substance and effect been complied with :

Provided that every person aggrieved by any irregularity may recover satisfaction for any special damage sustained by him.

175. *Public roads, markets, wells, tanks, etc., to be open to all.*—All roads, markets, wells, tanks, reservoirs and waterways vested in or maintained by a panchayat or a panchayat union council shall be open to the use and enjoyment of all persons, irrespective of their caste or creed.

176. *Power to farm out fees.*—A panchayat or a panchayat union council shall have power to farm out the collection of any fees due to it under this Act or any rule, by-law or regulation made thereunder for any period not exceeding three years at a time, on such conditions as it thinks fit.

177. *Adjudication of disputes between local authorities.*—  
(1) When a dispute exists between a panchayat or a panchayat union council and one or more other local authorities in regard to any matter arising under the provisions of this or any other Act and the Government are of opinion that the panchayat or the panchayat union council and the other local authorities concerned are unable to settle it amicably among themselves, the Government may take cognizance of the dispute, and—

(a) decide it themselves, or

(b) refer it for inquiry and report to an arbitrator or a board of arbitrators or to a joint committee constituted 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 deem fit.

(3) Any decision given under clause (a) of sub-section (1) or under sub-section (2) may 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 be cancelled at any time by the Government.

Any such decision or any modification therein or cancellation thereof shall be binding on the panchayat, the panchayat union council and each of the other local authorities concerned and shall not be liable to be questioned in any Court of law.

(4) Where one of the local authorities concerned is a cantonment authority or the port authority of a major port, the powers of the Government under this section shall be exercisable only with the concurrence of the Central Government.

## CHAPTER VII.—RULES, BY-LAWS AND PENALTIES.

### RULES.

178. *Power of Government to make rules.*—(1) The Government shall, in addition to the rule-making powers conferred on them by any other provisions contained in this Act, have power to make rules generally to carry out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, the Government may make rules—

(i) as to the principles to be followed in regard to the exclusion of any local area from or the inclusion of any local area in, a village or town under sub-section (2) of section 3, or in regard to the constitution of any local area as, or the inclusion of any local area in, a municipality under section 5;

(ii) as to all matters relating to electoral rolls or elections, not expressly provided for in this Act, including deposits to be made by candidates standing for election and the conditions under which such deposits may be forfeited, and the conduct of inquiries and the decision of disputes relating to electoral rolls or elections;

(iii) as to the period within which a panchayat union council may co-opt women and members of the Scheduled Castes under the proviso to sub-section (1) of section 12 and the manner of filling vacancies if no woman or member of the Scheduled Castes is co-opted;



(iv) as to the determination of the population for the purposes of this Act;

(v) as to the resignations of chairmen, vice-chairmen and members of panchayat union councils and of the presidents, vice-presidents and members of panchayats, and the dates on which such resignations shall take effect;

(vi) as to the interpellation of the chairman and vice-chairman by the members of a panchayat union council and of the president of a panchayat by the members of the panchayat, and the moving of resolutions at meetings;

(vii) as to the constitution of committees of the panchayat union councils and of panchayats, the inclusion of outsiders therein and the delegation of functions to such committees;

(viii) providing for the procedure to be followed at meetings of the panchayat union councils and at committees thereof and for the conduct of business and the number of members which shall form a quorum at any meeting;

(ix) as to the powers of the panchayat union council, its chairman and committees thereof with respect to the incurring of expenditure and the powers and duties of the commissioner;

(x) providing for the travelling and other allowances of the chairman, vice-chairman and other members of the panchayat union council and of members of the committees of the panchayat union council;

(xi) as to the delegation of any function of a panchayat or panchayat union council to the president, chairman, member, any officer of the panchayat or panchayat union council or any servant of the Central or State Government;

(xii) for the lodging and investment of the moneys of the panchayat and the panchayat union council and for the manner in which such moneys may be drawn upon;

(xiii) as to the transfer of allotments entered in the sanctioned budget of a panchayat or panchayat union council from one head to another;

(xiv) as to the estimates of receipts and expenditure, returns, statements and reports to be submitted by panchayats and panchayat union councils;

(xv) as to the preparation of plans and estimates for works and the power of panchayats and panchayat union councils and of servants of the Central or State Government to accord professional or administrative sanction to estimates;

(xvi) as to the accounts to be kept by panchayats and panchayat union councils, the audit and publication of such accounts and the conditions under which rate-payers may appear before auditors, inspect books and accounts, and take exception to items entered or omitted;



(xvii) as to the powers of auditors, inspecting and superintending officers and officers authorized to hold inquiries, to summon and examine witnesses and to compel the production of documents and all other matters connected with audit, inspection and superintendence;

(xviii) as to the conditions on which property may be acquired by a panchayat or panchayat union council, or on which property vested in or belonging to a panchayat or panchayat union council may be transferred by sale, mortgage, lease, exchange or otherwise;

(xix) as to the conditions on which and the mode in which contracts may be made by or on behalf of panchayats and panchayat union councils;

(xx) as to the assessment of taxes under this Act and the revision of assessments;

(xxi) as to the acceptance in lieu of any tax due under this Act of any service by way of labour, cartage or otherwise;

(xxii) as to the realization of any tax or other sum due to a panchayat or panchayat union council under this Act or any other law or any rules or by-laws, whether by distraint and sale of movable property, by prosecution before a Magistrate, by a suit, or otherwise;

(xxiii) as to the realization of fees due in respect of the use of cart-stands and the like, whether by the seizure and sale of the vehicle or animal concerned or any part of its burden, or otherwise;

(xxiv) as to the form and contents of licences, permissions and notices granted or issued under this Act, the manner of their issue or the method of their service, and the modification, suspension or cancellation thereof;

(xxv) as to the powers of executive authorities and commissioners to call for information on any matter, to summon and examine witnesses, and to compel the production of documents;

(xxvi) for the use of the facsimiles of the signatures of the executive authorities, commissioners and officers of panchayats and panchayat union councils;

(xxvii) as to the grant to the public of copies of any proceeding or record of the panchayat or panchayat union council not relating to any matter classified as confidential by the Government or any authority empowered by them, and the fees to be levied for the grant of such copies;

(xxviii) as to the opening, maintenance, management and supervision of elementary schools;

(xxix) prohibiting or regulating the use for any specified purposes, of any public spring, tank, well or watercourse or of any private spring, tank, well or watercourse, with the consent of its owner, or without such consent;



(xxx) regulating contracts between the panchayat and the owners or occupiers of private premises for the removal therefrom of rubbish or filth, or any kind of rubbish or filth;

(xxxii) as to the provision of burial and burning grounds; the licensing of private burial and burning grounds; the regulation of the use of all grounds so provided or licensed; the closing of any such grounds; and the prohibition of the disposal of corpses except in such grounds or other permitted places;

(xxxiii) as to the licensing of pigs and dogs and the destruction of unlicensed pigs and dogs;

(xxxiv) as to the regulation or restriction of building and the use of sites for building;

(xxxv) for the removal of encroachments of any description from public roads vesting in panchayats or panchayat union councils and the repair of any damage caused to such roads by the person causing the damage or at his expense;

(xxxvi) for the determination of any claim to trees growing on public roads or other property vesting in or belonging to panchayats or on porambokes or on lands the use of which is regulated by them under section 86 or section 87; and for the presumptions to be drawn as regards the ownership of such trees;

(xxxvii) as to the imposition and recovery of penalties for the unauthorized occupation of public roads or other land vesting in or belonging to panchayats or panchayat union councils and the assessment and recovery of compensation for and damage caused by such occupation;

(xxxviii) as to the powers which may be exercised by the panchayat or the executive authority or by the panchayat union council or the commissioner in respect of any public or private market or the user thereof, and the enforcement of any orders issued in pursuance of such powers;

(xxxix) for compelling owners of cattle to stall them in cattle-sheds provided by the panchayat and the fees leviable in respect thereof;

(xl) as to the disposal of household and farmyard waste in the village, the acquisition of land by the panchayat for laying out plots for digging pits in which such waste may be thrown, the assignment of any of those plots to persons in the village, and the conditions subject to which such assignment may be made, including the rent to be charged;

(xli) as to the duties to be discharged by village officers in relation to panchayats and their executive authorities, and to panchayat union councils and their chairmen and commissioners;



(xli) as to appeals against orders (including orders granting or refusing licences or permissions) passed under this Act, and the time within which appeals whether allowed by this Act or by rules or otherwise should be presented ;

(xlii) as to the classification of public roads and fairs and festivals as appertaining to the panchayat union council or the panchayat ;

(xliii) for regulating the sharing between local authorities in the State of the proceeds of any tax or income levied or obtained under this or any other Act ;

(xliv) for the decision of disputes between two or more local authorities of which one is a panchayat or panchayat union council ;

(xlv) regulating the principles in accordance with which grants and contributions may be paid by the Government to the panchayat union councils and panchayats ;

(xlvi) as to the accounts to be kept by owners, occupiers and farmers of private markets and the audit and inspection of such accounts ;

(xlvii) as to the manner of publication of any notifications or notices to the public under this Act.

179. *Penalties for breach of rules.*—(1) In making any rule under this Act, the Government may provide that a breach thereof shall be punishable with fine which may extend to one hundred rupees, or in case of a continuing breach, with fine not exceeding fifteen rupees for every day during which the breach continues after conviction for the first breach.

(2) The power to make rules under this Act shall, except on the first occasion of the exercise thereof, be subject to the condition of previous publication.

(3) All rules made under this Act shall be published in the *Fort St. George Gazette* and upon such publication, shall have effect as if enacted in this Act.

(4) All rules made and all notifications issued under this Act shall, as soon as possible after they are made, be placed on the table of both the Houses of Legislature and shall be subject to such modifications by way of amendments or repeal as the Legislature may make either in the same session or in the next session.

#### BY-LAWS.

180. *By-laws and penalties for their breach.*—(1) Subject to the provisions of this Act and of any other law and to such rules as may be prescribed, a panchayat or a panchayat union council may, with the approval of the Inspector, make by-laws for carrying out any of the purposes for which it is constituted.



(2) In making a by-law the panchayat or panchayat union council may provide that any person who commits a breach thereof shall be liable to pay by way of penalty such sum as may be fixed by the panchayat or panchayat union council not exceeding fifteen rupees or, in case of a continuing breach, not exceeding five rupees for every day during which the breach continues after a penalty has been levied for the first breach.

(3) The Government shall have power to make rules regarding the procedure for the making of by-laws, the publication thereof, and the date on which they shall come into effect.

#### PENALTIES.

181. *General provisions regarding penalties specified in the Schedules.*—(1) Whoever—

(a) contravenes any of the provisions of this Act specified in the first and second columns of Schedule II, or

(b) contravenes any rule or order made under any of the provisions so specified, or

(c) fails to comply with any direction lawfully given to him, or any requisition lawfully made upon him under or in pursuance of any of the said provisions,

shall be punishable with fine, which may extend to the amount mentioned in that behalf in the fourth column of the said Schedule.

(2) Whoever after having been convicted of—

(a) contravening any of the provisions of this Act specified in the first and second columns of Schedule III, or

(b) contravening any rule or order made under any of the provisions so specified, or

(c) failing to comply with any direction lawfully given to him or any requisition lawfully made upon him under or in pursuance of any of the said provisions,

continues to contravene the said provision or the said rule or order, or continues to fail to comply with the said direction or requisition, shall be punishable for each day after the previous date of conviction during which he continues so to offend, with fine which may extend to the amount mentioned in that behalf in the fourth column of the said Schedule.

*Explanation.*—The entries in the third column of Schedules II and III headed "Subject" are not intended as definitions of the offences described in the provisions specified



in the first and second columns thereof, or even as abstracts of those provisions, but are intended merely as references to the subject dealt with therein.

182. *Penalty for acting as member, president or vice-president of a panchayat or as member, chairman or vice-chairman of a panchayat union council, when disqualified.*—

(1) Whoever acts as a member of a panchayat or panchayat union council knowing that, under this Act or the rules made thereunder, he is not entitled or has ceased to be entitled to hold office as such, shall be punishable with fine not exceeding two hundred rupees for every such offence.

(2) Whoever acts as the president, temporary president or vice-president of a panchayat, or exercises any of his functions including where he is also the executive authority, any of his functions as such and whoever acts as the chairman, temporary chairman or vice-chairman of a panchayat union council or as commissioner or exercises any of his functions as such knowing that, under this Act or the rules made thereunder, he is not entitled or has ceased to be entitled to hold office as such, or to exercise such functions, shall be punishable with fine not exceeding one thousand rupees for every such offence.

(3) Any person who having been the president, temporary president or vice-president of a panchayat, or the chairman, temporary chairman or vice-chairman of a panchayat union council fails to hand over any documents of, or any moneys or other properties vested in or belonging to, the panchayat or panchayat union council, which are in or have come into his possession or control, to his successor in office or other prescribed authority—

(a) in every case as soon as his term of office as such president, temporary president or vice-president or as such chairman, temporary chairman or vice-chairman expires;

(b) in the case of a person who was the vice-president also on demand by the president; and

(c) in the case of a person who was the vice-chairman also on demand by the chairman,  
shall be punishable with fine not exceeding one thousand rupees for every such offence.

183. *Penalty for acquisition by an officer or servant of interest in contract work.*—If any officer or servant of a panchayat or panchayat union council knowingly acquires, directly or indirectly, by himself or by a partner, employer or servant, any personal share or interest in any contract or employment with, by or on behalf of, the panchayat or panchayat union council, he shall be deemed to have committed an offence under section 168 of the Indian Penal Code (Central Act XLV of 1860) ;



Provided that no person shall, by reason of being a shareholder in, or member of, any company, be held to be interested in any contract entered into between such company and the panchayat or panchayat union council unless he is a director of such company.

184. *Wrongful restraint of executive authority or commissioner or his delegate.*—Any person who prevents the executive authority or the commissioner or any person to whom the executive authority or the commissioner has lawfully delegated his powers of entering on or into any place, building or land, from exercising his lawful power of entering thereon or therein shall be deemed to have committed an offence under section 341 of the Indian Penal Code (Central Act XLV of 1860).

185. *Prohibition against obstruction of panchayats, panchayat union councils, etc.*—Any person obstructing or molesting a panchayat, or the panchayat union council or the president, the executive authority or a member of the panchayat, or the chairman or a member of a panchayat union council or the commissioner, or any person employed by the panchayat or panchayat union council or any person with whom a contract has been entered into by or on behalf of the panchayat or panchayat union council in the discharge of their duty or of anything which they are empowered or required to do by virtue or in consequence of this Act or of any rule, by-law, regulation or order made thereunder, shall be punished with fine which may extend to fifty rupees.

186. *Prohibition against removal or obliteration of notice.*—Any person who, without authority in that behalf, removes, destroys, defaces or otherwise obliterates any notice exhibited or any sign or mark erected by, or under the orders of, a panchayat or its executive authority, or by or under the orders of a panchayat union council or the commissioner, shall be punishable with fine which may extend to fifty rupees.

187. *Penalty for not giving information or giving false information.*—Any person required by this Act or by any notice or other proceedings issued thereunder to furnish any information, who omits to furnish such information, or knowingly furnishes false information, shall be punishable with fine not exceeding one hundred rupees.

#### MISCELLANEOUS.

188. *Special provisions in the case of new panchayats.*—(1) The provisions of this section shall apply when a panchayat is constituted for the first time, notwithstanding anything contained in this Act.



(2) The election authority shall make arrangements for the election of the members of the panchayat, so that the newly elected members may come into office on the date specified in the notification issued by the Inspector under section 8, sub-section (1), for the constitution of the panchayat :

Provided that the Inspector shall have power from time to time to postpone the date so specified if, for any reason, it is not found possible to complete the elections in time.

(3) The term of office of the members elected under sub-section (2) or of the members elected in their places in casual vacancies shall expire in such year and on such date as the Inspector may fix.

189. *Application of Act to transferred territory.*—(1) With effect on and from the date of the constitution of a panchayat union council for any panchayat development block in the transferred territory under this Act (hereinafter in this section referred to as the said date), the Travancore-Cochin Panchayats Act, 1950 (Travancore-Cochin Act II of 1950), as in force in the transferred territory immediately before the said date shall stand repealed in the transferred territory.

(2) Any reference in this Act to a law which is not in force in the transferred territory on the said date shall, in relation to the transferred territory, be construed as a reference to the corresponding law if any in force in the transferred territory on the said date.

(3) Any reference to the Travancore-Cochin Panchayats Act, 1950 (Travancore-Cochin Act II of 1950), in any existing law which continues to be in force in the transferred territory after the said date shall, in relation to that territory be construed as a reference to this Act.

(4) Any reference by whatever form of words in any existing law to any authority competent at the date of the passing of that law to exercise any powers or discharge any functions in the transferred territory shall, where a corresponding new authority has been constituted by or under this Act, have effect as if it were a reference to that new authority.

(5) The repeal by sub-section (1) of the Travancore-Cochin Panchayats Act, 1950 (Travancore-Cochin Act II of 1950), shall not affect.

(a) the previous operation of that Act or anything done or duly suffered thereunder; or



(b) any right, privilege, obligation or liability acquired, accrued or incurred under that Act; or

(c) any penalty, forfeiture or punishment incurred in respect of any offence committed against that Act; or

(d) any investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty, forfeiture, or punishment as aforesaid;

and any such investigation, legal proceeding or remedy may be instituted, continued or enforced and any such penalty, forfeiture or punishment may be imposed as if this Act had not been passed.

(6) Subject to the provisions of sub-section (5) anything done or any action taken, including any appointment or delegation made, notification, order, instruction or direction issued, rule, regulation, form, by-law or scheme framed, certificate, permit or licence granted or registration effected, under the Travancore-Cochin Panchayats Act, 1950 (Travancore-Cochin Act II of 1950), shall be deemed to have been done or taken under the corresponding provisions of this Act and shall continue in force accordingly, unless and until superseded by anything done or any action taken under this Act.

(7) For the purpose of facilitating the application of this Act in the transferred territory, any court or other authority may construe this Act with such alterations not affecting the substance as may be necessary or proper to adapt it to the matter before the Court or other authority.

*Explanation.*—For the purpose of this section—

(1) “ transferred territory ” means the part of the Kanyakumari district or of the Shencottah taluk of the Tirunelveli district comprising a panchayat development block for which a panchayat union council has been constituted under this Act;

(2) “ existing law ” means any law, ordinance, proclamation, regulation, order, by-law or rule passed or made before the commencement of this Act, by any legislative authority or person having power to make such a law, ordinance, proclamation, regulation, order, by-law or rule.

190. Act to be read subject to Schedule IV in regard to first reconstitution of panchayats, and first constitution of panchayat union councils, etc.—(1) In regard to the first constitution of panchayat union councils in accordance with the provisions of this Act and in regard to the first reconstitution in accordance with the provisions of this Act of panchayats in existence at the commencement thereof, and otherwise in first giving effect to the said provisions, they shall be read subject to the rules in Schedule IV.



(2) The Government shall have power, by notification, to amend, add to or repeal the rules in the said Schedule.

191. *Panchayats to cease to perform functions of panchayat courts.*—On the constitution of a panchayat union council in respect of any panchayat development block under this Act—

(i) every panchayat constituted or deemed to be constituted under the Madras Village Panchayats Act, 1950 (Madras Act X of 1950), for any village shall cease to be a panchayat court for that village or town for the purposes of section 9 (1) of the Madras Village Courts Act, 1888 (Madras Act I of 1889), and the members (including the president and vice-president) of such panchayat shall with effect from such date cease to be ex-officio members of such panchayat court and the president and vice-president aforesaid shall with effect from such date also cease to be ex-officio president and vice-president respectively of the panchayat court; and

(ii) all suits and proceedings, civil or criminal, pending in the panchayat on the date aforesaid shall stand removed to the panchayat court constituted for the area concerned under section 9 (1) of the Madras Village Courts Act, 1888 (Madras Act I of 1889), and if no such Court has been constituted for that area, to the court of the village munsif appointed under section 7 of the said Act, and the said panchayat court or the said court of the village munsif shall have jurisdiction to hear and determine the same, and the judgments and orders of the panchayat delivered or made before the date aforesaid shall have the same force and effect as if they had been delivered or made by the panchayat court or village court under the Madras Village Courts Act, 1888 (Madras Act I of 1889).

192. *Amendment of Madras Act V of 1920.*—On the constitution of a panchayat union council in respect of any panchayat development block under this Act, the Madras District Municipalities Act, 1920 (Madras Act V of 1920), shall apply to that panchayat development block subject to the following modifications, namely:—

(a) in section 4, sub-section (1), for the words “ The State Government ”, the words “ Subject to the provisions of section 5 of the Madras Panchayats Act, 1958, the State Government ” shall be substituted;

(b) in section 249—

(i) in sub-section (1)—

(a) the words “ or at a distance within three miles of such limits ” shall be omitted;



(b) for the proviso, the following proviso shall be substituted; namely :—

“ Provided that no such notification shall take effect until sixty days from the date of publication.”;

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

193. *Amendment of Madras Act VIII of 1920.*—On the constitution of a panchayat union council in respect of any panchayat development block under this Act, the Madras Elementary Education Act, 1920 (Madras Act VIII of 1920) shall apply to that panchayat development block subject to the following modifications namely;

(i) in section 3—

(a) clause (iv) shall be omitted;

(b) in clause (ix), for the words “ district board ”, the words “ panchayat union council ” shall be substituted;

(c) for clause (x-b), the following clause shall be substituted, namely :—

“ (x-b) ‘ panchayat union council ’ means a panchayat union council constituted under the Madras Panchayats Act, 1958.”;

(ii) in section 32—

(a) for the words “ local authority ”, the words “ municipal council ” shall be substituted;

(b) for the words “ such authority ” wherever they occur, the words “ such municipal council ” shall be substituted;

(iii) in section 33 for the words “ local authority ” wherever they occur, the words “ municipal council ” shall be substituted;

(iv) in section 34, sub-section (2) shall be omitted and the brackets and figures “ (1) ” occurring at the beginning of sub-section (1) shall be omitted;

(v) in section 35—

(a) for the words “ local authority ” wherever they occur, the words “ municipal council ” shall be substituted;

(b) the last proviso to sub-section (1) shall be omitted;

(vi) in section 36—

(a) in sub-section (1), the expression “ sub-section (1) ” occurring at the beginning shall be omitted, and the words “ or local boards as the case may be ” shall be omitted;

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



(vii) in section 37—

(a) in sub-section (1), the expression “ sub-section (1) ” wherever it occurs shall be omitted ;

(b) sub-section (2) shall be omitted and sub-sections (3) and (4) shall be renumbered as sub-sections (2) and (3) respectively ;

(c) in sub-section (2) as renumbered, the words, brackets and figure “ or sub-section (2) ” shall be omitted ;

(d) in sub-section (3) as renumbered, for the words, brackets and figures “ sub-sections (1) to (3) ”, the words, brackets and figures “ sub-sections (1) and (2) ” shall be substituted and the words “ or district board area as the case may be ” shall be omitted ;

(viii) in section 38, sub-sections (1) and (2), for the words “ local authority ” the words “ municipal council ” shall be substituted ;

(ix) in section 39, for the words “ local authority ” the words “ municipal council ” shall be substituted ;

(x) in section 40, for the words and figures “ or in the Madras Local Boards Act, 1920 ”, the words and figures “ or in the Madras Panchayats Act, 1958 ” shall be substituted ;

(xi) in section 45, sub-section (2), in the first proviso, for the words “ the local authority ” the words “ in the case of a municipality, the municipal council ” shall be substituted ;

(xii) in section 47, sub-section (1), for the word “ panchayat ” the words “ panchayat union council ” shall be substituted ;

(xiii) in section 51, sub-section (3), for the words “ district board ”, the words “ panchayat union council ” shall be substituted ;

(xiv) in section 56, sub-section (2), clause (f), the words “ by panchayats ” shall be omitted.

194. *Amendment of Madras Act III of 1931.*—On the constitution of a panchayat union council in respect of any panchayat development block under this Act, the Madras Motor Vehicles Taxation Act, 1931 (Madras Act III of 1931), shall apply to that panchayat development block subject to the following modifications ; namely :—

(i) in section 2, clause (iii), the words “ or a district board ” shall be omitted ;

(ii) in section 10, sub-section (1), clause (a)—

(a) for sub-clause (iv), the following sub-clause shall be substituted ; namely :—

“ (iv) Fourthly, there shall be paid to each municipal council a sum equivalent to the average annual income derived by such council during the three years ending on the



31st day of March immediately preceding the commencement of the Madras Traffic Control Act, 1938 (Madras Act V of 1938), from fees on licences granted to motor vehicles under section 174-A of the Madras District Municipalities Act, 1920 (Madras Act V of 1920) :

Provided that where a municipality is constituted on or after the first day of April 1938, there shall be paid to the municipal council such sum as the State Government may, by order, determine.”;

(b) the proviso occurring after sub-clause (v) shall be omitted.

195. *Amendment of Madras Act X of 1939.*—On the constitution of a panchayat union council in respect of any panchayat development block under this Act, the Madras Entertainments Tax Act, 1939 (Madras Act X of 1939) shall apply to that panchayat development block subject to the following modifications; namely :—

(i) in section 3, for clause (6), the following clause shall be substituted, namely :—

“ (6) ‘ local authority ’ means—

(a) in the City of Madras, the Corporation of Madras;

(b) in any other municipal area, the municipal council concerned;

(c) in any panchayat development block as defined in the Madras Panchayats Act, 1958, the panchayat union council or a panchayat.”;

(ii) for section 13, the following section shall be substituted; namely :—

“ 13. *Payment of compensation to local authorities.*—

(1) Ten per cent of the proceeds of the tax under section 4 collected every year in respect of entertainments held within the jurisdiction of any local authority shall be credited to the State Government, and the balance of ninety per cent shall be paid to the local authority :

Provided that the State Government may direct that such balance shall be distributed between the local authority aforesaid and any other local authority or authorities in the neighbourhood in such proportions as the State Government may fix :

Provided further that in respect of entertainments held within a panchayat development block the balance of ninety per cent of the proceeds of the tax aforesaid shall be distributed between the panchayat union council and the panchayats functioning in the panchayat development block in such proportions as the State Government may fix :



Provided also that nothing contained in this section shall be deemed to prevent the State Government from modifying at any time any order which assigns the entire balance of ninety per cent of the proceeds of the tax to a local authority or as the case may be, fixes the proportions in which such balance should be distributed among local authorities if, in the opinion of the State Government,—

(a) the said order had been passed under any mistake whether of fact or of law; or

(b) the said order had been passed in ignorance of or without duly taking into account any material fact; or

(c) any new circumstances have arisen since the order was passed which make it expedient to modify it :

Provided also that no such modification shall be made in respect of any period after the expiry of two years from the end of that period.

(2) Whenever any modification is made under the third proviso to sub-section (1) in respect of any period, the State Government may recover from any local authority any sum paid to it in excess of what it would have been entitled to in accordance with the order as modified.”:

196. *Amendment of Madras Act XIII of 1957.*—In section 2 of the Madras District Boards (Amendment) Act, 1957 (Madras Act XIII of 1957), for clause (i), the following clause shall be substituted; namely :—

“(i) to postpone the elections to every district board up to such date not being later than the 2nd day of October 1961 as the State Government may fix; and ”.

197. *Construction of references to “local boards”, “Madras Local Boards Act, 1920”, etc.*—In the application of any law, rule, by-law, regulation, notification, scheme, form or order to any panchayat development block after the constitution of a panchayat union council for that panchayat development block under this Act, in the absence of an intention to the contrary appearing in this Act and unless the Government otherwise direct—

(i) any reference to a panchayat shall be deemed to be a reference to a panchayat as reconstituted or constituted under this Act.

(ii) any reference to a village or local area shall be deemed to be a reference to a panchayat village, panchayat town, panchayat development block or a panchayat union as the circumstances may require;



(iii) any reference to local boards shall be deemed to be a reference to district boards, panchayat union councils and panchayats;

(iv) any reference to the Madras Local Boards Act, 1920, shall be deemed to be a reference to the Madras District Boards Act, 1920 (Madras Act XIV of 1920), the Madras Village Panchayats Act, 1950 (Madras Act X of 1950) and the Madras Panchayats Act, 1958;

(v) any reference to the Madras District Boards Act, 1920 (Madras Act XIV of 1920), or the Madras Village Panchayats Act, 1950 (Madras Act X of 1950), shall be deemed to be a reference to the Madras Panchayats Act, 1958; and

(vi) any reference to a district board or its president shall be deemed to be a reference to the panchayat union council having jurisdiction or its chairman as the case may be.

198. *Power to remove difficulties.*—(1) If any difficulty arises in first giving effect to the provisions of this Act, or as to the first constitution or reconstitution of any panchayat or panchayat union council after the commencement of this Act, the Government as occasion may require, may by order, do anything which appears to them necessary for the purpose of removing the difficulty.

(2) All orders made under sub-section (1) shall, as soon as possible after they are made, be placed on the table of both Houses of the Legislature and shall be subject to such modifications by way of amendments or repeal as the Legislature may make either in the same session or in the next session.

### SCHEDULE I.

[See section 120 (3).]

Basis of levy.	Minimum rate per half-year.	Maximum rate per half-year.
(1)	(2)	(3)
(a) If the tax is levied on the basis of the capital value.	1/16 per cent of the capital value.	1/2 per cent of the capital value.
(b) If the tax is levied on the basis of the annual value.	One per cent of the annual value.	10 per cent of the annual value.
(c) If the tax is levied on the basis of classified plinth area—		
	RS. NP.	RS. NP.
(i) Terraced ..	0 75 For every 100 square feet or part thereof of the plinth area.	3 00 For every 100 square feet or part thereof of the plinth area.



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Basis of levy.	Minimum rate per half-year.	Maximum rate per half-year.
(1)	(2)	(3)
	Rs. NP.	Rs. NP.
(ii) Partly terraced and partly tiled or thatched.	0 50 For every 100 square feet or part thereof of the plinth area.	1 50 For every 100 square feet or part thereof of the plinth area.
(iii) Tiled .. ..	0 40 Do.	1 00 Do.
(iv) Partly tiled and partly thatched.	0 25 Do.	0 75 Do.
(v) Thatched .. ..	0 20 Do.	0 50 Do.

## SCHEDULE II. ORDINARY PENALTIES. [See section 181 (1).]

Section.	Sub-section or clause.	Subject.	Fine which may be imposed.
(1)	(2)	(3)	(4)
79	(1)	Failure to obey requisition to fence off, take down, secure or repair dangerous structure.	Five hundred rupees.
80	(1)	Failure to obey requisition to secure, lop or cut down dangerous trees.	Fifty rupees.
81	..	Failure to obey acquisition to fence building or land or trim, prune or cut hedges and trees or lower an enclosing wall.	Fifty rupees.
82	(1) (a)	Unlawful building of wall or erecting of fence, etc., in or over public road.	One hundred rupees.
82	(1) (b)	Unlawful making of hole or depositing of matter in or upon public road.	Fifty rupees.
82	(1) (c)	Unlawful quarrying in any place near public road, etc.	Fifty rupees.
82	(1) (d)	Unlawful erection of building over drain.	Two hundred rupees.
82	(1) (e)	Planting of trees without permission on any public road or other property vested in a panchayat or panchayat union council.	Two hundred rupees.
82	(1) (f)	Felling, etc., without permission of trees growing on public road or other property vested in a panchayat or on a poramboke or land the use of which is regulated by it under section 86 or section 87.	Two hundred rupees.
1	..	Failure to close place of public entertainment.	Two red rupees.



Section.	Sub-section or clause.	Subject.	Fine which may be imposed.
(1)	(2)	(3)	(4)
92	..	Sending infected child to school.	Fifty rupees.
94	..	Failure to give information of smallpox.	Fifty rupees.
95	(1)	Failure to obey requisition to fill in, etc., tank or other place dangerous to public health or safety.	Fifty rupees.
96	(1)	Failure to obey requisition to clear or cleanse, etc., building or land in filthy state or overgrown with noxious vegetation.	Fifty rupees.
10	(1)	Opening a new private market or continuing to keep open a private market without licence or contrary to licence.	Five hundred rupees.
100	(3)	Levy of fees in private market without a certificate.	One hundred rupees.
102	..	Sale or exposure for sale in public or private market of any animal or article without permission.	Twenty rupees.
103	..	Sale, etc., of articles in public roads or places after prohibition or without licence or contrary to regulations.	Ten rupees.
106	(b)	Using any public place or road side as a landing or halting place or as a cart-stand within prohibited distance.	Fifty rupees.
107	(1)	Opening a private cart-stand or continuing to keep open a private cart-stand without licence or contrary to licence.	Two hundred rupees.
109	(a)	Slaughtering, cutting up or skinning, etc., of animals outside public slaughter-houses in contravention of rules.	Two hundred rupees.
109	(b)	Slaughtering animals for purposes of sale without licence or contrary to licence.	Twenty rupees.
110	(2)	Unlawful destruction, etc., of number of buildings.	Five rupees.



Section.	Sub-section or clause.	Subject.	Fine which may be imposed.
(1)	(2)	(3)	(4)
110	(3)	Failure to replace number when required to do so.	Twenty rupees.
111	..	Using a place for an offensive or dangerous trade without licence or contrary to licence.	One hundred rupees.
112	..	Unlawful erection of factory, workshop etc.	One thousand rupees.
175	..	Obstructing a person in the use or enjoyment of a public road, market, well, tank, etc.	One hundred rupees.

## SCHEDULE III.

## PENALTIES FOR CONTINUING BREACHES.

[See section 181 (2).]

Section.	Sub-section or clause.	Subject.	Fine which may be imposed.
(1)	(2)	(3)	(4)
79	(1)	Failure to obey requisition to fence off, take down, secure or repair dangerous structure.	Fifty rupees.
80	(1)	Failure to obey requisition to secure, lop or cut down dangerous trees.	Ten rupees.
81	..	Failure to obey requisition to fence building or land or trim, prune or cut hedges and trees, or lower an enclosing wall.	Ten rupees.
82	(1) (a)	Unlawful building of wall or erecting of fence, etc., in or over public road.	Twenty rupees.
82	(1) (b)	Unlawful making of hole or depositing of matter in or upon public road.	Ten rupees.
82	(1) (c)	Unlawful quarrying in any place near public road, etc.	Ten rupees.
82	(1) (d)	Unlawful erection of building over drain.	Fifty rupees.
91	..	Failure to close place of public entertainment.	One hundred rupees.
95	(1)	Failure to obey requisition to fill in etc., tank or other place dangerous to public health or safety.	Ten rupees.



Section. 1)	Sub-section or clause. (2)	Subject. (3)	Fine which may be imposed. (4)
96	(1)	Failure to obey requisition to clear or cleanse, etc., building or land in filthy state or overgrown with noxious vegetation.	Ten rupees.
100	(1)	Keeping open a private market without licence or contrary to licence.	One hundred rupees.
100	(3)	Levy of fees in private market without a certificate.	Fifty rupees.
102	..	Sale or exposure for sale in public, private market of animal or article without permission.	Ten rupees.
107	(1)	Keeping open a private cart-stand without licence or contrary to licence.	Twenty rupees.
111	..	Using a place for offensive or dangerous trade without a licence or contrary to licence.	Twenty rupees.
112	..	Unlawful erection of factory, workshop, etc.	One hundred rupees.

## SCHEDULE IV.

## TRANSITIONAL PROVISIONS.

(See section 190.)

## 1. In these rules—

(i) “the said date” means the date specified in the notification issued under section 11, sub-section (1), constituting a panchayat union council under this Act;

(ii) “the old Act” means the Madras Village Panchayats Act, 1950 (Madras Act X of 1950);

(iii) “panchayat” means a panchayat constituted under the old Act and in existence on the said date;

(iv) “village” means any local area which was declared to be a village under the old Act.

2. Every panchayat which was classified as a class I panchayat under the old Act shall on the said date be deemed to have been classified as a town panchayat under this Act and all panchayats which before the said date were known as class II panchayats shall, after the said date be known as village panchayats.



3. Every local area which, immediately before the said date, was within the jurisdiction of a class I panchayat shall be deemed to have been declared to be a panchayat town under this Act and every local area which immediately before the said date was within the jurisdiction of a class II panchayat shall be deemed to have been declared to be a panchayat village under this Act.

4. The total number of members of a panchayat fixed under the old Act and in force on the said date shall be deemed to be the total number of its elected members under this Act.

5. The members of a panchayat holding office on the said date shall be deemed to be the elected members of the panchayat under this Act and such members shall continue to hold office up to such date as the Government may, by notification, fix in this behalf or in case no such date is fixed, up to the date on which their term of office would have expired if this Act had not come into force.

6. The reservation of seats for the members of the Scheduled Castes made under the old Act and in force on the said date shall be deemed to have been made under this Act.

7. (1) Any division of a class I panchayat village or a class II panchayat village into wards made under the old Act and in force on the said date shall with effect on and from the said date be deemed to be a division of a panchayat town or a panchayat village into wards made under this Act.

(2) The Inspector shall, as soon as may be after the said date, determine the ward which each of the members who is deemed to be an elected member under rule 5 shall be deemed to represent.

8. The president and vice-president of a panchayat holding office on the said date shall, subject to the provisions of this Act, continue to hold office as such president or vice-president up to the date referred to in rule 5.

9. (1) Any vacancy in the office of the president or vice-president of a panchayat which is in existence on the said date or which occurs before the date referred to in rule 5 shall be filled by election under the provisions of this Act.

(2) Any such vacancy in the office of an elected member of a panchayat shall be filled by election under the provisions of this Act.

(3) Any person elected as president, vice-president or member of a panchayat under sub-rule (1) or (2) shall hold office only up to the date referred to in rule 5.

*Explanation.*—For the purposes of this rule, the office of president, vice-president or member of a panchayat to which no person had, at any time prior to the said date, been elected shall be deemed to be vacant on the said date.

10. Any panchayat dissolved or superseded under the old Act and awaiting reconstitution on the said date shall be reconstituted in accordance with the provisions of this Act,



11. (1) The assets appertaining to elementary schools maintained by panchayats and district boards transferred to panchayat union councils in pursuance of the provisions of this Act shall be deemed to include all rights and powers, and all property, whether movable or immovable appertaining to the schools, including in particular, cash balances, reserve funds, investments, deposits and all other interests and rights in or arising out of such property as may be in the possession of panchayats or district boards, as the case may be, and all books of account or documents relating to the schools, and liabilities shall be deemed to include all debts, liabilities and obligations of whatever kind then existing or appertaining to the schools.

(2) Where a panchayat or district board has established a provident or superannuation fund or any other like fund for the benefit of the employees of such school the moneys standing to the credit of any such fund on the said date together with any other assets belonging to such fund shall stand transferred to and vest in the panchayat union council on such date.

(3) Every whole-time teacher and other employee of a panchayat or district board elementary school which has been transferred to and vested in the panchayat union council and who was employed by the panchayat or district board wholly or mainly in connexion with such school immediately before the said date shall, on and from that date, become an employee of the panchayat union council and shall hold his office therein by the same tenure, at the same remuneration and upon the same terms and conditions and with the same rights and privileges as to pension and gratuity and other matters as he would have held the same on the date aforesaid if this Act had not been passed, and shall continue to do so until he ceases to be in the employment of the panchayat union council.

(4) The Government may issue such general or special directions as they may think necessary for the purpose of regulating appointments under this rule and otherwise giving due effect to the provisions thereof and no appointment to any post under a panchayat union council made in contravention of any such directions shall be deemed to have been validly made.

(5) If any question arises as to whether any person was a whole-time teacher or other employee of a panchayat or a district board or as to whether any teacher or other employee was employed wholly or mainly in connexion with a panchayat or district board school immediately before the said date, the decision of the Inspector on the question in the case of panchayat schools and of the Government in the case of district board schools, shall be final.

12. Every officer and servant of any district board (other than the teachers and other employees of elementary schools) shall be appointed to such posts as the Government or such officer as may be authorized by them in this behalf may consider suitable under any panchayat union council or any district



development council. The conditions of service of persons so appointed shall be regulated by rules made by the Government from time to time.

13. Every choultry, every dispensary, every maternity or child-welfare centre and every reading room established or maintained by a panchayat before the said date shall with effect on and from the said date vest in the panchayat union council having jurisdiction in the area and be maintained by it.

14. If any registers and accounts relating to the registration of births and deaths were being maintained by any panchayat before the said date, they shall be transferred to the panchayat union council concerned on the said date or so soon thereafter as may be specified by general or special order by the Inspector.

15. All libraries, together with the books, furniture and other assets appertaining thereto maintained immediately before the said date by any panchayat or district board shall with effect on and from the said date stand transferred to and be maintained by such authority as the Government may by general or special order specify provided that the Government shall have power to modify any such order from time to time and effect shall be given to such modified order by such authority.

16. The land cess levied under section 78 of the **Madras District Boards Act, 1920** (Madras Act XIV of 1920), in any area which has been declared to be a panchayat development block under this Act, for the fasli year in which a panchayat union council has been constituted under section 11, sub-section (1) in respect of that block shall be distributed among the panchayat union councils and the panchayats in that block in such manner as the Government may by general or special order direct.

17. The elementary education fund constituted for a district board under the **Madras Elementary Education Act, 1920** (Madras Act VIII of 1920), shall with effect from the said date form part of the Panchayat Union (Education) Fund constituted for the panchayat union councils having jurisdiction over the area over which the district board exercised jurisdiction immediately before the said date in such proportions as the Government may by order specify.

18. Any tax levied by a district board under the **Madras Elementary Education Act, 1920**, before the said date shall with effect on and from the said date be deemed to have been levied by the panchayat union council concerned under this Act.

19. Any sums permitted to be utilized by the district board under section 23C of the **Madras District Boards Act, 1920** (Madras Act XIV of 1920), but remaining unutilized immediately before the said date shall pass to the panchayat union council or panchayat union councils having jurisdiction in the area concerned to such extent and subject to such conditions as may be specified by the Government by general or special order.



20. Such part of the general funds to the district board which exercised jurisdiction over any area which has been declared to be a panchayat development block under this Act, as may be specified in this behalf by the Government, shall with effect on and from the said date stand transferred to and form part of the general funds of the panchayat union council concerned.

21. Where before the said date a panchayat or district board has made any contract in the exercise of its powers under the old Act or under the Madras District Boards Act, 1920 (Madras Act XIV of 1920), that contract shall be deemed to have been made in the exercise of its powers under this Act by the panchayat union council having jurisdiction over the area in which that council would have had jurisdiction had this Act been in force at the relevant time; and all rights and liabilities which have accrued or may accrue, under any such contract shall to the extent to which they would have been rights or liabilities of the panchayat, or district board, be rights or liabilities of the panchayat union council specified above.

For the purposes of this rule, there shall be deemed to be included in the liabilities which have accrued or may accrue under any contract—

(a) any liability to satisfy an order or award made by any court or other tribunal in proceedings relating to the contract, and

(b) any liability in respect of expenses incurred or in connection with such proceedings.

22. (1) All proceedings taken by or against any panchayat or other authority under the old Act may, in so far as they are not inconsistent with this Act, be continued by or against such panchayat or authority under this Act.

(2) All proceedings taken by or against any district board or other authority under the Madras District Boards Act, 1920 (Madras Act XIV of 1920), may, in so far as they are not inconsistent with this Act, be continued by or against the panchayat union council concerned or other competent authority under this Act.

23. Any remedy by way of application, suit or appeal available to or against a Class I panchayat, Class II panchayat or district board exercising jurisdiction immediately before the said date shall after the said date be available to or against the town panchayat, village panchayat or panchayat union council concerned.

24. Any action taken by a Class I panchayat, Class II panchayat or district board exercising jurisdiction immediately before the said date shall, subject to such directions as the Government may, by general or special order, give in this behalf, be deemed to have been taken by the town panchayat, village panchayat or panchayat union council concerned unless and until superseded by action taken by that town panchayat, village panchayat or panchayat union council.



25. If any item in suspense is ultimately found to affect an asset or liability of the nature referred to in the foregoing provisions of this Schedule, it shall be dealt with in accordance with that provision. The benefit or burden of any assets or liabilities of a district board not dealt with in the foregoing provisions of this Schedule shall be subject to such financial adjustments as the Government may by order direct.

26. If any difficulty arises in giving effect to the provisions of these rules, the Government as occasion may require may by notification do anything which appears to them to be necessary for the purpose of removing the difficulty.