
MANIPUR (HILL AREAS) DISTRICT COUNCILS ACT, 1971

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^a[a] For Statement of Objects and Reasons, see Gaz, of India. 29-1 1-1971. Pt. U.S. 2, Ext.. p. 817.

STATEMENT OF OBJECTS AND REASONS The Hill Areas of the Union territory of Manipur are inhabited mostly by tribal people. In

view of this, when the Union territory of Manipur was given the Legislature under the Government of Union Territories Act, 1963 a special provision was included in section 52 of that Act for the constitution of the Standing Committee of the Legislature consisting of members from the Hill Areas. 2. It is considered desirable that the people in the Hill areas should be more closely associated in the development of those areas. With this object in view, it is proposed that the Hill Areas, as determined by the President under S.52 of the Government of Union Territories Act, 1963, may be divided into autonomous districts and District Council may be constituted for each autonomous district. The elections to the District Councils would be on the basis of adult franchise, The District Councils would be on the lines of the former Territorial Councils, with adequate executive powers to deal with matters of local development and other matters of importance to the tribals. The District Councils would have powers to levy and collect taxes and fees like taxes on professions, trades, callings, and school fees. The District Councils would also be competent to recommend legislation relating to matters like appointment or succession of Chiefs, inheritance of property and social customs insofar as they concern members of the Scheduled Tribes, The Bill is intended to achieve this object. 3. The notes on clauses, appended to the Bill. explain in detail the various provisions of the Bill. -- Gaz. of India, 29-11-1971, Pt. II. S. 2, Exi" p. 817; For notes on clauses see pages 818 to 819.

CHAPTER 1

PRELIMINARY

1. Short title and extent :-

(1) This Act may be called the Manipur (Hill Areas) District Councils Act, 1971.

(2) It extends to the whole of the Union territory of Manipur.

2. Definitions :-

In this Act, unless the context otherwise requires,-

(a) "Administrator" means the administrator of the Union territory of Manipur ¹ appointed under article 239 of the Constitution;

(b) "autonomous district" means an autonomous district referred to in sub-section (1) of section 3 ;

(c) "building" includes a house, out-house, stable, latrine, urinal, shed, hut, wall (other than boundary wall) and any other structure (whether of masonry, bricks, wood, mud or other material) but does not include any portable or temporary shelter;

(d) "constituency" means a District Council constituency provided by order made under section 5 for the purpose of elections to the District Council:

(e) "Deputy Commissioner", in relation to any District Council, means the officer appointed as such by the Administrator, by notification in the Official Gazette, to perform the functions of the Deputy Commissioner under this Act in the autonomous district for which such District Council has been constituted;

(f) "Hill Areas" means the Hill Areas determined by the President by any notification issued under sub-section (2) of Section 52 of the Government of Union Territories Act, 1963 and in force immediately before the commencement of this Act;

(g) "Hill Areas Committee" means the Standing Committee referred to in Section 52 of the Government of Union Territories Act, 1963 ;

(h) "market" includes any place where persons assemble for the sale of, or for the purpose of exposing for sale of, meat, fish, fruit, vegetables, animals intended for human food or any other articles of human food whatsoever with or without the consent of the owner of such place notwithstanding that there may be no common regulation for the concourse of buyers and sellers and whether or not any control is exercised over the business of, or the persons frequenting, the market by the owner of the place or any other persons;

(i) "member" means a member of a District Council constituted under this Act:

(j) "Official Gazette" means the Gazette of the Union territory of Manipur ;

(k) "person" does not include a body of persons:

(m) "Scheduled Tribes" has the same meaning assigned to it in clause (25) of article 366 of the Constitution;

(n) "vehicle" includes a carriage, cart, hand-cart, bicycle, tricycle and every wheeled conveyance which is used or is capable of being

used on a street but does not include a mechanically propelled vehicle.

1. Manipur is now a State. See Act 81 of 1971, section 3 (30-12-71).

CHAPTER 2

CONSTITUTION OF DISTRICT COUNCILS

3. Division of Hill Areas into autonomous districts :-

(1) As soon as may be after the commencement of this Act, the Administrator shall cause all the Hill Areas to be divided into not more than six autonomous districts.

(2) The Administrator may, by order notified in the Official Gazette,-

(a) declare that any area in any autonomous district which is, or is intended to be, included within the limits of any municipality, cantonment or town committee shall cease to be a part of such autonomous district.

(b) increase the area of any autonomous district;

(c) diminish the area of any autonomous district;

(d) unite two or more autonomous districts or parts thereof so as to form one autonomous district;

(e) define the boundaries of any autonomous district;

(f) alter the name of any autonomous district.

(3) No order under sub-section (2) shall be made by the Administrator except after consultation with the Hill Areas Committee.

(4) Any order made by the Administrator under sub-section (2) may contain such incidental and consequential provisions as appear to the Administrator to be necessary for giving effect to the provisions of the order.

Clause 3.- This clause empowers the Administrator to divide the Hill Areas in the Union Territory of Manipur, as determined by the President under S.52(2) of the Government of Union Territories Act, 1963, into not more than six autonomous districts. The clause further provides that before making any change in the territorial extent of any autonomous district the Administrator shall consult the Hill Areas Committee.- Gaz. of India. 29-1 1-71. Pi. II. Section

2, Ext., p. 818.

4. Constitution of District Councils and their composition :-

(1) For each autonomous district there shall be a District Council as from such date as the Administrator may, by notification ¹ in the Official Gazette, appoint in this behalf.

(2) The total number of seats in the District Council to be filled by persons chosen by direct election on the basis of adult suffrage from territorial constituencies shall be not more than eighteen.

(3) The Administrator may nominate not more than two persons, not being persons in the service of Government, to be members of any District Council.

Clauses 4 to 3.- These clauses provide for the constitution of District Councils, their composition, delimitation of constituencies for election of members, qualifications and dis-qualifications for membership of the councils. preparation of electoral rolls, procedure for election of members and the term of office of members. - Gaz. of India. '29-11-71. Pi. U.S. 2. Ext.,. p. 818.

1. District Council in each of the six Autonomous Districts in the hill areas of Manipur State, constituted w.e.f, 1-8-1973 - See Manipur Gaz. 27-7-73, Ext., No. 1 19.

5. Delimitation of constituencies :-

The Administrator shall, by order, determine

(a) the constituencies (which shall be single member constituencies) into which an autonomous district shall be divided for the purpose of election of members to the District Council of that district; and

(b) the extent of each constituency.

See under S. 4.

6. Power to alter or amend delimitation orders :-

The Administrator may, from time to time, by order, alter or amend any order made under section 5 .

7. Qualifications for membership :-

A person shall not be qualified to be chosen as a member of a District Council of any autonomous district unless he is an elector for any District Council constituency in that autonomous . district.

8. Disqualification for membership :-

(1) A person shall be disqualified for being chosen as a member of a District Council if he is for the time being disqualified for being chosen as a member of either House of Parliament or holds any office of profit under any District Council.

(2) For the purposes of this section, a person shall not be deemed to hold an office of profit under a District Council by reason only that he is a member thereof.

9. Electors on electoral rolls :-

(1) The persons entitled to vote at elections of members of a District Council shall be the persons entitled, by virtue of the provisions of the Constitution and the Representation of the People Act, 1950, to be registered as voters at elections to the House of the People.

(2) So much of the electoral roll for any parliamentary constituency for the time being in force as relates to the areas comprised within a constituency formed under section 5 shall be deemed to be the electoral roll for that constituency for the purposes of this Act.

10. Right to vote :-

(1) Every person whose name is, for the time being, entered in the electoral roll of a constituency shall be entitled to vote at the election of a member of the District Council from that constituency.

(2) Every person shall give one vote and no more to any one candidate at an election.

11. Election of members :-

Election of members of a District Council shall be held in accordance with the rules made under section 21 on such date or dates as the Administrator may, by notification in the Official Gazette, direct : Provided that a casual vacancy shall be filled as soon as may be after the occurrence of the vacancy : Provided further that no election shall be held to fill up a casual vacancy occurring within four months prior to the holding of a general election under this section.

12. Notification of results of elections :-

The names of all persons elected or nominated to be members of a District Council shall be published by the Administrator in the Official Gazette.

13. Term of office of members :-

(1) Save as otherwise provided in this section, the term of office of a member shall be five years and shall commence from the date of the notification of his election or nomination under section 12 or from the date on which the vacancy in which he is elected or nominated has occurred, whichever date is later : Provided that the Administrator may, when satisfied that it is necessary in order to avoid administrative difficulty, extend the term of office of all the members by such period not exceeding one year as he thinks fit.

(2) The term of office of a member elected to fill a casual vacancy shall commence from the date of the notification of his election and shall continue 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.

14. Disputes as to elections :-

(1) No election of a member shall be called in question except by an election petition presented to the court of the District Judge having jurisdiction in the area in which the constituency concerned is situated, within thirty days from the date of the notification of the result of the election under section 12 .

(2) An election petition calling in question any such election may be presented on one or more of the grounds specified in section 16 by any candidate at such election or by any elector of the constituency.

(3) A petitioner shall join as respondents to his petition all the candidates at the election.

(4) An election petition -

(a) shall contain a concise statement of the material facts on which the petitioner relies;

(b) shall, with sufficient particulars, set forth the ground or grounds on which the election is called in question; and

(c) shall be signed by the petitioner and verified in the manner laid down in the Code of Civil Procedure, 1908 for the verification of pleadings.

15. Relief that may be claimed by petitioner :-

A petitioner may, in addition to claiming a declaration that the election of all or any of the returned candidates is void, claim a

further declaration that he himself or any other candidate has been duly elected.

16. Grounds on which an election may be called in question

:-

The election of a returned candidate may be called in question on any one or more of the following grounds, namely :-

(a) that on the date of his election the returned candidate was not qualified to be elected, or he was disqualified for being elected as a member under this Act: or

(b) that the nomination paper of any candidate at the election has been improperly rejected; or

(c) that the result of the election has been materially affected by the improper acceptance of a nomination paper or by the improper acceptance or refusal of a vote or by any other cause.

17. Procedure to be followed by the District Judge :-

The procedure provided in the Code of Civil Procedure, 1908 in regard to suits shall be followed by the court of the District Judge, as far as it can be made applicable, in the trial and disposal of an election petition under this Act.

18. Decision of the District Judge :-

(1) At the conclusion of the trial of an election petition, the Court of the District Judge shall make an order -

(a) dismissing the election petition; or

(b) declaring the election of all or any of the returned candidates to be void; or

(c) declaring the election of all or any of the returned candidates to be void and the petitioner or any other candidate to have been duly elected.

(2) If any person who has filed an election petition has, in addition to calling in question the election of the returned candidate, claimed a declaration that he himself or any other candidate has been duly elected and the Court of the District Judge is of opinion -

(a) that in fact the petitioner or such other candidate received a majority of the valid votes; or

(b) that but for the votes obtained by the returned candidate, the

petitioner or such other candidate would have obtained a majority of the valid votes. the court of the District Judge shall, after declaring the election of the returned candidate to be void, declare the petitioner or such other candidate, as the case may be, to have been duly elected.

19. Procedure in case of equality of votes :-

If during the trial of an election petition it appears that there is equality of votes between any candidates at the election and that the addition of a vote would entitle any of those candidates to be declared elected, then, the court of the District Judge shall decide between them by lot and proceed as if the one on whom the lot falls had received an additional vote.

20. Finality of decisions :-

(1) An order of the court of the District Judge on an election petition shall be final and conclusive.

(2) An election of a member not called in question in accordance with the foregoing provisions shall be deemed to be a good and valid election.

21. Power to make rules regulating the election of members :-

The Administrator may make rules to regulate all or any of the following matters for the purpose of the holding of elections of members under this Act, namely :-

(a) the manner of the splitting up of electoral rolls for Parliamentary constituencies into parts for the purpose of constituting one or more of such parts into electoral roll for a constituency; and the officer or authority by whom such splitting up is to be carried out;

(b) the drawing up of the programme of election;

(c) the appointment of returning officers, presiding and polling officers for election;

(d) the nomination of candidates and the scrutiny of such nomination;

(e) the deposits to be made by candidates and the time and manner of making such deposits;

(f) the withdrawal of candidatures;

- (g) the appointment of agents of candidates;
- (h) the time and manner of holding elections;
- (i) the general procedure at the elections including the time, place and hours of poll and the method by which votes shall be cast;
- (j) the fee to be paid on an election petition;
- (k) any other matter relating to elections or election disputes in respect of which the Administrator deems it necessary to make rules under this section or in respect of which this Act makes no provision or makes insufficient provision and provision is, in the opinion of the Administrator: necessary.

22. Incorporation of District Councils :-

Each District Council shall be a body corporate by the name respectively of "the District Council of (name of autonomous district)" and shall have perpetual succession and a common seal with power to acquire, hold and dispose of property and to contract and may by the said name sue and be sued.

23. Chairman and Vice-Chairman :-

(1) A District Council shall, as soon as may be, choose two members to be respectively Chairman or Vice-Chairman thereof and, so often as the office of Chairman or Vice-Chairman becomes vacant, the Council shall choose another member to be Chairman or Vice-Chairman, as the case may be : Provided that the Administrator may nominate the first Chairman who shall hold office for a period not exceeding one year.

(2) If a resolution for the removal of an elected Chairman is passed by not less than two two-thirds of the total membership of the Council at a meeting convened in accordance with the provisions of sub-section (3), such resolution shall have the effect of removing the Chairman from his office as from the date on which the resolution is so passed and if such resolution is passed by less than two-thirds but not less than one-half of the total membership of the Council, the Administrator may, by order in writing remove, for reasons to be recorded, the Chairman from his office as from such date as may be specified in the order: Provided that no such resolution shall be brought within one year from the date of election of the Chairman: Provided further that if the resolution is not passed by not less than two-thirds of the total membership of

the Council, no other resolution for the removal of the Chairman shall be allowed to be considered within one year from the date on which such resolution was considered.

(3) A notice in writing of the intention to move a resolution referred to in sub-section (2) signed by not less than one-third of the total membership of the Council together with a copy of the proposed resolution shall be delivered to the Deputy Commissioner in accordance with the rules made by the Deputy Commissioner in this behalf and the Deputy Commissioner shall after giving not less than fifteen days' notice thereon convene for consideration of the resolution a meeting of the Council to be held in the office of the Council on a date not later than thirty days from the date on which the notice was delivered to him and he shall preside over the meeting.

(4) The Chairman of the Council shall be a whole-time functionary and shall be entitled to such salary or allowances as may be fixed by the Administrator.

24. Oath or affirmation by members :-

Every member shall, before taking his seat, make and subscribe at a meeting of the District Council, an oath or affirmation in the prescribed form.

25. Vacation of seats :-

(1) No person shall be a member both of the Legislative Assembly of the Union Territory of Manipur and of a District Council and if a person is chosen a member both of the Legislative Assembly and of a District Council, then, at the expiration of fourteen days from the date of publication in the Official Gazette that he has been so chosen, that person's seat in the District Council shall become vacant unless he has previously resigned his seat in the Legislative Assembly.

(2) If a member-

(a) becomes subject to any of the disqualifications mentioned in section 8 ; or

(b) resigns his seat by writing under his hand addressed to the Chairman of the District Council, his seat shall thereupon become vacant.

(3) If during the six successive months a member is, without the

permission of the District Council, absent from the meetings thereof the Council may declare his seat vacant.

(4) If any question arises as to whether a member has become subject to any of the disqualifications mentioned in section 8 , it shall be referred to the District Judge having jurisdiction in the area in which the constituency concerned is situated and his decision shall be final.

26. Allowances of members :-

Subject to the provisions of sub-sec. (4) of section 23 , every member shall be entitled to receive such allowances as may be determined by the Administrator.

27. Liability of members :-

Every person shall be liable for the loss, waste or misappropriation of any money or other property belonging to a District Council, if such loss, waste or misappropriation is a direct consequence of his neglect or misconduct while a member of (he District Council and a suit for compensation may be instituted against him by the Council with the previous sanction of the Deputy Commissioner or by the Deputy Commissioner with the previous sanction of the Administrator.

28. Members to be deemed to be public servants :-

Every member shall be deemed to be a public servant within the meaning of Section 21 of the Indian Penal Code, 1860 .

CHAPTER 3

FUNCTIONS OF DISTRICT COUNCILS

29. Functions of District Councils :-

(1) Subject to such exceptions and conditions as the Administrator may make and impose, the following matters shall be under the control and administration of a District Council namely:-

(i) the maintenance and management of such property, moveable and immovable and institutions as may be transferred to that Council by the Administrator:

(ii) the construction, repair and maintenance of such of the roads, bridges, channels and buildings as may be transferred to that Council by the Administrator:

(iii) the establishment, maintenance and management of primary schools and the construction and repair of all buildings connected

with these institutions and institution of scholarships:

(iv) the establishment, maintenance and management of dispensaries;

(v) the establishment and maintenance of cattle pounds including such functions under the Cattle Trespass Act, 1871 as may be transferred to that Council by the Administrator:

(vi) the establishment, maintenance and management of markets and fairs and the constructions, repair and maintenance of all buildings connected therewith;

(vii) the supply, storage and prevention from pollution of water for drinking, cooking and bathing purposes:

(viii) the construction, repair and maintenance of embankments and the supply, storage and control of water for agricultural purposes:

(ix) the preservation and reclamation of soil:

(x) the preservation, protection and improvement of live-stock and prevention of animal diseases;

(xi) public health and sanitation:

(xii) the management of such ferries as may be entrusted to the charge of that Council by the Administrator;

(xiii) the initiation, inspection and control of relief works;

(xiv) the allotment, occupation or use, or the setting apart of land, other than land acquired for any public purpose or land which is a reserved forest; for the purpose of agriculture or grazing or for residential or other non-agricultural purposes or for any other purposes likely to promote the interests of the inhabitants of any village or town situated within the autonomous district for which that council is constituted:

(xv) the management of any forest not being a reserved forest:

(xvi) the regulation of the practice of Jhum or other form of shifting cultivation; and

(xvii) any other matter which the Administrator may, in consultation with the Hill Areas Committee, entrust to the District Council in the field of agriculture, animal husbandry community

development, social and tribal welfare, village planning or any other matter referred to in S.52 of the Government of Union Territories Act. 1963.

(2) It shall be competent for a District Council to recommend to the Government of the Union Territory of Manipur legislation relating to the following matters in so far as they concern members of the Scheduled Tribes, namely:-

(a) appointment or succession of Chiefs;

(b) inheritance of property:

(c) marriage and divorce; and

(d) social customs.

Clause 29.- This clause enumerates the functions of the District Councils which include matters of local importance like primary schools, dispensaries, markets and fairs, provision of drinking water, roads, regulation of Jhumming, etc. The Councils may also make recommendations in regard to legislation relating to appointment or succession of chiefs, tribal customs, etc.-Gaz. of Ind.. 29-1 1-71, Pt. II, Section 1. Ext., p. 818.

CHAPTER 4

PROCEDURE AND STAFF OF DISTRICT COUNCILS

30. Conduct of business :-

A District Council shall conduct its business in such manner and in accordance with such procedure as may be prescribed.

31. Committees :-

A District Council may, from time to time, appoint out of its own body such and so many committees for the efficient discharge of its duties as may be necessary.

32. Officers and staff :-

(1) For every District Council there shall be a Chief Executive Officer, who shall be appointed by the Administrator.

(2) If a resolution for removal of the Chief Executive Officer is passed at a meeting of the District Council by a majority of not less than two-thirds of the total membership of the Council, the Administrator shall remove him forthwith.

(3) The District Council shall appoint such officers and staff as may be necessary for the proper and efficient execution of its duties

and make regulations for their conditions of service.

(4) The power of appointing officers and staff (whether temporary or permanent) shall be exercised in accordance with the rules framed for the purpose by the Administrator.-

(5) The conditions of service applicable to a person immediately before his appointment to a post under a District Council shall not be varied to his disadvantage except with the previous approval of the Administrator.

(6) Every officer or member of staff of a District Council shall be deemed to be a public servant within the meaning of Section 21 of the Indian Penal Code, 1860 .

CHAPTER 5

FINANCE OF DISTRICT COUNCILS AND VESTING OF PROPERTY

33. Power of taxation :-

Notwithstanding anything to the contrary contained in any other law for the time being in force, a District Council shall have the power to levy all or any of the following taxes within the autonomous district for which the Council is constituted, that is to say--

(a) taxes on professions, trades, callings and employments;

(b) taxes on animals, vehicles (other than mechanically propelled vehicles)

and boats:

(c) taxes on entry of goods into a market for sale therein and tolls on passengers and goods carried in ferries;

(d) taxes for the maintenance of schools, dispensaries or roads:
and

(e) any other tax falling under List II of the Seventh Schedule to the Constitution which the Legislature of the Union territory of Manipur may, by law, empower the District Council to levy.

34. Levy of fees :-

A District Council may fix and levy

(a) school fees; and

(b) fees for the use of, or benefits derived from, any of the works done or services rendered under section 29 .

35. Procedure for imposing taxes :-

(1) A District Council may resolve at a meeting specially convened for the purpose the imposition of any of the taxes mentioned in section 33 .

(2) When a resolution has been passed, the Council shall publish a notice in the Official Gazette and also in the prescribed manner, defining the class of persons or description of property proposed to be taxed, the amount or rate of tax to be imposed and the system of assessment to be adopted.

(3) Any person directly or indirectly affected by the proposed tax and objecting to it, may within thirty days from the publication of the notice, send his objections in writing to the Council and the Council shall, at a specially convened meeting, take all such objections into consideration.

(4) If no objection is sent within the said period of thirty days or if the objections received are deemed insufficient. the Council may submit its proposals to the Administrator with the objections, if any, and its decision thereon.

(5) The Administrator may then sanction the proposals or refuse to sanction them or return them to the Council for further consideration.

(6) When the proposal in respect of a tax has been sanctioned, the Administrator shall notify its imposition in the Official Gazette and specify a date not later than three months from the date of notification on which the tax shall come into force.

36. Abolition or reduction of taxes :-

The Administrator may, by notification in the Official Gazette. and a District Council may with the previous approval of the Administrator by a resolution passed at a specially convened meeting for the purpose, abolish or reduce any tax imposed under section 33 .

37. Recovery of taxes and fees :-

All arrears of taxes and fees levied under this Act may be recovered under the law for the time being in force for the recovery of public dues as if such arrears were public dues.

38. Assessment and collection of taxes and fees :-

A District Council may, by notification in the Official Gazette,

determine the person by whom any tax or fee shall be assessed and collected and make rules for the assessment and collection of such tax or fee and direct in what manner persons employed in the assessment or collection shall be remunerated.

39. Appeals :-

(1) In matters connected with the assessment and collection of any tax or fee levied under this Act, an appeal shall lie from the order of any person authorised to make assessment or collections to such person as the Administrator may appoint or designate for the purpose.

(2) An appeal under sub-section (1) shall be presented within thirty days from the date of the order.

(3) The order passed on the appeal shall be final.

40. Instalments of taxes and fees :-

A District Council may, by notification in the Official Gazette and with the previous approval of the Deputy Commissioner, prescribe by what instalments and at what times any tax or fee shall be payable.

41. Power to exempt from taxation :-

A District Council may, with the previous approval of the Administrator, by notification in the Official Gazette, remit or reduce any tax or fee or exempt any persons or class of persons or any description of property, wholly or in part, from liability to any tax or fee and cancel any such remission, reduction or exemption.

42. Recoveries of moneys claimable by the Council :-

(1) Save as provided by section 37 , all moneys claimable by a District Council may be recovered on an application to a Magistrate having jurisdiction in the area where the person from whom the money is claimable may, for the time being, be resident, by the distress and sale of any movable property or by the attachment and sale of any immovable property, within the limits of his jurisdiction belonging to such person and the cost of such proceedings shall be recoverable in the same manner as the said moneys.

(2) An application for recovery of money shall be in writing and shall be signed by an officer authorised in this behalf by order of the Chairman of the Council.

43. Council Fund :-

(1) All moneys received by or on behalf of a District Council under the provisions of this Act or any other law for the time being in force shall be credited to a fund which shall be called the "Council Fund" and it shall be held by the District Council in trust for the purposes of this Act.

(2) All expenditure of the Council shall be defrayed out of the Council Fund.

(3) The Administrator may make rules for the management of the Council Fund and for the procedure to be followed in respect of payment of money into the said Fund, the withdrawal of moneys therefrom, the custody of moneys therein and any other matter connected with or ancillary to the matters aforesaid.

(4) The accounts of a District Council shall be kept in such form as may be prescribed.

(5) The accounts of a District Council shall be audited in such manner as may be prescribed.

44. Property vested in District Council :-

Subject to any order of the Administrator, all property of the nature specified below and situated in the autonomous district shall vest in and belong to the District Council for which it is constituted and shall, with all other property which may become vested in the Council, be under its direction, management and control and shall be held and applied for the purposes of this Act-

(a) all public buildings, constructed or maintained out of the Council Fund;

(b) all public roads which have been constructed or are maintained out of the Council Fund and the stores and other materials thereof and also all trees, erections, materials, implements and things provided for such roads;

(c) all land or other property transferred to the District Council by the Administrator or by gift, sale or otherwise for public purposes.

45. Budget :-

(1) A District Council shall, on or before a prescribed day in each year submit to the Administrator an estimate of the income and expenditure of the Council for the next financial year in such form

as may be prescribed.

(2) The Administrator may, on or before a prescribed day, return the estimate of the Council with or without modifications.

(3) When a budget is returned with modifications under sub-section (2), the Council shall consider the proposed modifications, take a decision thereon and report the same to the Administrator.

(4) The budget estimate finally adopted by the Council shall be the budget of the District Council.

(5) Any subsequent alteration in the budget or reappropriation or transfer of provision within the estimate shall be made with the approval of the Administrator.

CHAPTER 6

CONTROL

46. Control :-

(1) It shall be the duty of the Chairman of a District Council to furnish to the Deputy Commissioner a copy of the proceedings of the meetings of the Council and such other information as the Deputy Commissioner may require.

(2) The Deputy Commissioner shall have the power to give to any District Council all such directions as he may consider necessary in respect of subjects, curricula, text books and standards of teaching in schools vested wholly or partly in the Council and in schools wholly or partly maintained by grants payable from the Council Fund and the Council shall comply with such directions,

(3) The Deputy Commissioner may, by order, and for reasons to be recorded, suspend the execution of any resolution or order of any District Council or prohibit the doing of any act which is about to be done, or is being done, in pursuance of or under cover of any provision of the law relating to the constitution or functions of the District Council, if, in his opinion the resolution, order or act is in excess of the powers conferred by law or the execution of the resolution or order or the doing of the act is likely to lead to a breach of the peace, or to cause annoyance or injury to the public or to any class or body of persons: Provided that the Council may, within fifteen days of the date of the order of the Deputy Commissioner offer such explanation as it deems fit in relation to the execution of the resolution or order which has been suspended

or the doing of the act has been prohibited.

(4) When the Deputy Commissioner makes any order as aforesaid, he shall forthwith send a copy of it to the Administrator with a statement of the reasons for making it and forward in due course to the Administrator the explanation, if any, offered by the Council and the Administrator may, thereupon, confirm, modify or rescind the order of the Deputy Commissioner.

47. Supersession of the District Council :-

(1) If, on receipt of a report from the Deputy Commissioner or otherwise, the Administrator is of opinion that-

(a) any District Council is not competent to perform, or persistently makes default in the performance of the duties imposed on it by or under this Act or any other law; or

(b) any District Council exceeds or abuses its powers; or

(c) the financial position and credit position of any District Council is seriously threatened; or

(d) a situation has arisen in which the administration of any District Council cannot be carried on in accordance with the provisions of this Act, the Administrator may, by an order published, together with a statement of reasons therefor, in the Official Gazette, supersede such Council for such period, not exceeding one year, as may be specified in the order: Provided that before making an order of supersession as aforesaid under clause (a) or clause (b) or clause (c). reasonable opportunity shall be given to such Council to show cause why such order of supersession should not be made: Provided further that the period of supersession may be extended for any further period or periods not exceeding six months at a time in consultation with the Hill Areas Committee.

(2) When any District Council is superseded by an order under sub-section (1),-

(a) all the members of the Council (including the Chairman and Vice-Chairman thereof) shall, on such date as may be specified in the order, vacate their offices as such members without prejudice to their eligibility for election or nomination under clause (d):

(b) during the period of supersession of the Council, all powers and duties conferred and imposed upon the Council by or under this Act

or any other law shall be exercised and performed by such officer or authority as the Administrator may appoint in that behalf;

(c) all property vested in the Council shall, until it is reconstituted, vest in the Central Government;

(d) before the expiry of the period of supersession, election or nomination, as the case may be, of members to the Council shall be held or made for the purpose of reconstituting the Council.

48. Effect of certain provisions during the period when the Hill Areas Committee is not functioning :-

Where at any time, consequent on the dissolution of the Legislative Assembly of the Union territory of Manipur. the Hill Areas Committee is not functioning, then, during the period when such Committee is not functioning,

(i) section 3 shall have effect as if sub-section (3) thereof had been omitted;

(ii) clause (xvii) of section 29 and the second proviso to sub-section (1) of section 47 have effect as if the words "in consultation with the Hill Areas Committee" had been omitted therefrom.

CHAPTER 7

OFFENCES AND PENALTIES

49. Penalty for obstruction :-

If any person wilfully obstructs a District Council or any officer or servant of a District Council or any person authorised by the District Council in the exercise of its powers, he shall be punishable with fine which may extend to fifty rupees.

50. Penalty for entering into any contract with the Council

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If any member, officer or other employee of a District Council enters into any contract with the Council, he shall be deemed to have committed an offence under Section 168 of the Indian Penal Code, 1860 .

CHAPTER 8

RULES AND BYE-LAWS

51. Power of Administrator to make rules :-

(1) Without prejudice to the power to make rules under any other provision of this Act, the Administrator may, after previous publication make, by notification in the Official Gazette, rules for

the purpose of carrying out the provisions of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may -

(i) regulate the conduct of business of a District Council;

(ii) prescribe the forms in which the budget estimate is to be prepared and the dates for the various stages of its completion;

(iii) determine the language in which the business of a District Council will be transacted:

(iv) regulate the powers of a District Council to transfer property;

(v) regulate the powers of a District Council to contract and do other things necessary for the purposes of its constitution and the mode of executing contracts:

(vi) regulate the employment, payment suspension and removal of office, and staff of a District Council; (vii) protect the terms and conditions of service of Government servants transferred to a District Council;

(viii) prescribe the forms for statements, registers, estimates and accounts of a District Council and regulate the keeping, checking and publication of such accounts;

(ix) prescribe the authority by whom and the manner in which the accounts of a District Council shall be audited; and

(x) provide for any other matter for which rules have to be made under this Act.

52. Power to make bye-laws :-

(1) Subject to the provisions of this Act and of the rules made thereunder, a District Council may make bye-laws to provide for all or any of the following matters in the autonomous district for which it is constituted or in any part thereof, namely-

(a) the maintenance and management of schools and grants of stipends and scholarships;

(b) control and administration of dispensaries, their construction and repairs, the supply of medicines and the measures to be taken during the prevalence of diseases;

(c) the protection from pollution of such tanks, springs, wells or

parts of rivers, streams, channels or water courses as are set apart for drinking or culinary purposes;

(d) any other matter which is necessary for carrying out all or any of the provisions of this Act and the rules made thereunder.

(2) A bye-law made under sub-section (1) shall not have effect until it has been confirmed by the Administrator and published in such manner as he may direct.

(3) The Administrator, in conforming a bye-law, may make any change therein which appears to him to be necessary.

53. Penalty for infringement of rules or bye-laws :-

(1) In making any rule, the Administrator, and in making any bye-law, a District Council, may direct that the breach of the same shall be punishable with fine which may extend to one hundred rupees and in the case of a continuing breach with a further fine which may extend to ten rupees of every day during which breach is continued after the offender has been convicted of such breach.

(2) In default of payment of any fine, the defaulter shall be punishable with imprisonment for a term which may extend to fifteen days.