THE ANDHRA PRADESH MUNICIPAL CORPORATIONS ACT, 1994[1]

[Act No. 25 of 1994]

An Act to provide for the establishment of Municipal Corporations in the State of Andhra Pradesh and for matters connected therewith or incidental thereto.

Be it enacted by the Legislative Assembly of the State of Andhra Pradesh in the Forty-fifth Year of the Republic of India as follows:—

1. Short title, extent and commencement:— (1) This Act may be called the Andhra Pradesh Municipal Corporations Act, 1994.

(2) It extends to the whole of the State of Andhra Pradesh, except to the local areas covered by the Hyderabad, Visakhapatnam and Vijayawada Municipal Corporations.

(3) It shall be deemed to have come into force with effect on and from the 4th July, 1994.

2. Definitions:— In this Act, unless the context otherwise requires,—

(a) *'Corporation'* means a Municipal Corporation deemed to have been constituted under Section 3;

(b) *'election authority'* means such officer or authority as may be appointed by the State Election Commission to exercise such powers and to perform such functions in connection with the conduct of elections to the Municipal Corporations;

(c) *'Finance Commission'* means the Finance Commission constituted by the Governor under Article 243-I of the Constitution of India;

(d) *'larger urban area'* means such area as the Governor may, having regard to the population of the area, the density of the population therein, the revenue generated for local administration, the percentage of employment in non-agricultural activities, the economic importance or such other factors as may be prescribed, specify by notification for the purposes of this Act;

(e) *'Scheduled Castes'* and *'Scheduled Tribes'* shall have the meanings respectively assigned to them in clauses (24) and (25) of Article 366 of the Constitution of India;

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1. Received the assent of the Governor on the 12th August, 1994 published on the 16th August, 1994 in the Andhra Pradesh Gazette Part IV-B (Ext.)

(f) *'State Election Commission'* means the State Election Commission constituted in pursuance of Article 243-K of the Constitution of India;

(g) *'Wards Committee'* means a wards committee constituted under Section 10;

(h) *'words and expressions'* used in this Act but not defined shall have the meanings assigned to them in the Hyderabad Municipal Corporations Act, 1955 (Act II of 1956).

3. Specification of larger urban area:— (1) Where a notification is issued by the Governor specifying an area as a larger urban area under clause (d) of Section 2, a Corporation shall be deemed to have been constituted for such area.

(2) The Governor may, from time to time, after consultation with the Corporation, by notification in the Andhra Pradesh Gazette, alter the limits of a larger urban area specified in the notification issued under clause (d) of Section 2, so as to include therein or to exclude therefrom, the areas specified in the notification.

(3) The power to issue a notification under sub-section (2) shall be subject to such rules as may be made in this behalf and to previous publication.

(4) The Corporation shall, by the said name, be a body corporate, having perpetual succession and a common seal with power to acquire, hold and dispose of property and to enter into contracts and may by its corporate name, sue and be sued.

(5) Where any local area which is within the jurisdiction of any other local authority is included in a larger urban area for which a Corporation is constituted, the Government may pass such orders as they may deem fit as to the transfer to the Corporation or disposal otherwise, of the assets or institutions of any such local authority in the local area and as to the discharge of the liabilities, if any, of such local authority relating to such assets or institutions.

(6) Where any local area for which a Municipality is constituted under the Andhra Pradesh Municipalities Act, 1965 (Act VI of 1965) is declared as a larger urban area and a Municipal Corporation is constituted, then the Municipality functioning immediately before such constitution shall be deemed to have been abolished and the said Act shall cease to apply to such larger urban area.

(7) Where a Municipality stands abolished under sub-section (6), it shall be competent for the Government to pass such orders as they may deem fit as to the transfer to the Corporations or disposal otherwise, of the assets or institutions of the abolished Municipality and as to the discharge of the liabilities, if any, of such Municipality relating to such assets or institutions.

4. Municipal authorities:— The Municipal authorities charged with carrying out the provisions of this Act shall be:—

(a) a Corporation;

(b) a Standing Committee;

(c) a Commissioner;

(d) the Wards Committee.

5. Composition of Corporation:— The Corporation shall consist of the following Members, namely:—

(i) such number of elected Members as may be notified from time to time by the Government in the Andhra Pradesh Gazette, in accordance with such principles as may be prescribed:

[1][Provided that the number of Members to be elected in respect of a Corporation constituted under this Act shall be the same as the number of Members in the Municipality existing immediately prior to such constitution, until it is altered;]

(ii) every Member of the Legislative Assembly of the State representing a constituency of which the concerned larger urban area or a portion thereof forms part of;

(iii) every Member of the House of the People representing a constituency of which the concerned larger urban area or a portion thereof forms part:

Provided that a Member of the House of the people representing a constituency which comprises more than one larger urban area including a part thereof shall be the Member of the Corporation constituted for one of the larger urban areas which he chooses; and he shall also have the right to speak in and otherwise to take part in the proceedings of any meeting of the Corporation constituted for the other larger urban area within the Constituency but shall not be entitled to vote at any such meetings.

1. Proviso added by Act No. 1 of 1995.

(iv) every Member of the Council of States registered as an elector within the larger urban area concerned *ex-officio;*

[2][(iv-a) every Member of the Legislative Council of the State registered as an elector within the area of the Municipal Corporation as on the date of filing of nomination for becoming Member of Legislative Council or on the date of nomination by the Governor, as the case may be, shall be ex-officio member of the Corporation.

[2][(v) three persons having special knowledge or experience in Municipal Administration of whom one shall be woman, be co-opted as members of the Corporation in the prescribed manner by the members of the Corporation from among the persons who are registered voters in the Corporation and who are not less than twenty-one years of age:

Provided that the members co-opted under this clause shall have the right to speak in and otherwise to take part in the meetings of the Corporation but shall not have right to vote.

(vi) two persons belonging to the minorities of whom one shall be woman be co-opted as members of the Corporation in the prescribed manner by the members of the Corporation specified in sub-clauses (i) to (iv) from among the persons who are registered voters in the Corporation and who are not less than twenty-one years of age:

Provided that the members co-opted under this clause shall have the right to speak in and otherwise to take part in the meetings of the Corporation but shall not have right to vote.]

6. Reservation of seats:— In the Corporation out of the total strength of elected Members, the Government shall, subject to the rules as may be prescribed, by notification, reserve,—

(a) such number of seats to the Scheduled Castes and Scheduled Tribes as may be determined by them, subject to the condition that the number of seats so reserved shall bear, as nearly as may be, the same proportion to the number of seats to be filled by direct election to the Corporation, as the population of the Scheduled Castes, or as the case may be the Scheduled Tribes in the Corporation bears to the total population of the Corporation; and such seats may be allotted by rotation to different wards in the Corporation.

1. **Inserted by Act No. 5 of 2008, w.e.f. 30.04.2008.**
2. Subs. by Act 29 of 2005, w.e.f. 27.10.2005.

(b) one-third of the total number of seats for Members belonging to Backward Classes, and such seats may be allotted by rotation to different wards in the Corporation;

(c) not less than one-third of the total number of seats reserved under clauses (a) and (b) for women belonging to the Scheduled Castes, Scheduled Tribes or as the case may be, the Backward Classes;

(d) not less than one-third (including the number of seats reserved for women belonging to the Scheduled Castes, Scheduled Tribes and Backward Classes) of the total number of seats to be filled by direct election to the Corporation shall be reserved for women and such seats may be allotted by rotation to different wards in a Corporation.

Explanation:— For the removal of doubts it is hereby declared that,—

(i) nothing in this section shall be deemed to prevent women and Members of the Scheduled Castes, Scheduled Tribes or Backward Classes from standing for Election to the non-reserved seats in the Corporation;

(ii) the expression 'Backward Classes' means any socially and educationally Backward Classes of citizens recognised by the Government for purposes of clause (4) of Article 15 of the Constitution of India [1][without reference to the classification but including the creamy layer amongst such Backward classes of citizens].

(iii) [2][x x x]

7. Term of Office of Members and filling of seats:—

(1)(a) The term of office of elected members shall, save as otherwise expressly provided in this Act, be five years from the date appointed by the Election Authority for the first meeting of the Council and no longer.

(b) Annex-officio member specified under clause (ii) or (iii) or (iv) of Section 5 shall hold office so long as he continues to be the Member of the Legislative Assembly of the State or as the case may be, of either House of Parliament and the ex-officio members specified under clauses (v) and (vi) of Section 5 shall be co-terminus with the elected members.

(2) Ordinary vacancies in the Office of Elected Members shall be filled at ordinary elections which shall be held before the expiry of the term of Office of the Elected Members specified in clause (a) of sub-section (1).

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

8. Casual Vacancies of Members:— (1) A casual vacancy in the office of a member shall be filled at a casual election which shall be

1. Added by Act 7 of 2012; shall come into force from the date of notification. Relevant notification not found by the time the book went for publication.
2. Omitted by A.P. Act No.1 of 1995.

held by the Election Authority within a period of three months from the date of occurrence of the vacancy :

Provided that no casual election shall be held to fill a vacancy occurring within three months before the date on which the term of office of the members expires by efflux of time.

(2) A Member elected to 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.

9. [1][x x x]

9A. [1][x x x]

10. Constitution, powers and functions of the Wards Committee:— (1) There shall be constituted by the Government, by order, such number of Wards Committees to the Corporation as may be determined by them, so however, that each Wards Committee shall consist of not less than ten wards:

Provided that in constituting Ward Committees the Government shall maintain geographical contiguity as far as possible.

(2) Each Wards Committee shall consist of the Members elected from the wards for which the Wards Committee is constituted :

Provided that such officers of the Corporation as the Commissioner may specify shall attend the meetings of the Wards Committee and shall have the right to speak in and otherwise to participate in the meetings of the Wards Committee but shall not have the right to vote.

(3) The Chairperson of the Wards Committee shall be elected by the Members thereof from among themselves in the prescribed manner. He shall hold office for a period of one year from the date of election and shall be eligible for re-election.

(4) The Chairperson shall cease to hold office if he ceases to be a Member of the Wards Committee. Any casual vacancy in the Office of the Chairperson shall be filled by election of another Chairperson from among the elected Members of the Wards Committee, as soon as may be, after the occurrence of the vacancy.

(5) The powers and functions of the Wards Committee and the manner of conduct of business at its meetings shall be such as may be prescribed.

11. State Election Commission:— The preparation of electoral rolls, for, and the conduct of elections to Corporation shall be under the superintendence, direction and control of the State Election Commission constituted under Article 243 K of the Constitution.

12. Finance Commission:— (1) The Finance Commission constituted by the Governor in pursuance of Article 243-I of the Constitution shall also review the financial position of the Corporation and make recommendations to the Government as to:—

1. Omitted by Act 29 of 2005, w.r.e.f. 06.08.2005.

(a) the principles which should govern,—

(i) the distribution between the State and the Corporation of the net proceeds of the taxes, duties, tolls and fees leviable by the State, which may be divided between them under this part and the allocation between the Corporation of their respective shares of such proceeds;

(ii) the determination of the taxes, tolls and fees which may be assigned to, or appropriated by the Corporation;

(iii) the grants-in-aid to the Corporation from the Consolidated Fund of the State;

(b) the measures needed to improve the financial position of the Corporation;

(c) any other matter referred to the Finance Commission by the Government in the interests of sound finances of the Corporation.

(2) The Government shall cause every recommendation made by the Commission under this article together with an explanatory memorandum as to the action taken thereon to be laid before the Legislative Assembly of the State.

[1][**12A. Sanction of works contract:**— The powers of several authorities of the Municipal Corporation and the Government to sanction works contract shall be as follows, namely:

(i) **Commissioner:** Works contract for a value not exceeding rupees ten lakhs;

(ii) **Standing committee:** Woks contract for a value exceeding rupees ten lakhs but not exceeding rupees fifty lakhs;

(iii) **Corporation:** Works contract for a value exceeding rupees fifty lakhs but not exceeding rupees two hundred lakhs;

(iv) **Corporation and the Government:** Works contract for a value exceeding rupees two hundred lakhs after approval of the Corporation shall be submitted to the Government for sanction].

13. Andhra Pradesh Municipalities Act, 1965 not to apply on specification as larger urban area:— (1) Subject to the provisions of sub-sections (2) and (3), the Andhra Pradesh Municipalities Act, 1965, shall, with effect on and from the specification of a local area or a smaller urban area for which a Municipality is constituted as a larger urban area, cease to apply to such larger urban area for which a Municipal Corporation is constituted.

(2) Such cesser shall not affect,—

(a) the previous operation of the Andhra Pradesh Municipalities Act, 1965 in respect of the local area comprised within any newly specified larger urban area for which a Corporation is constituted;

1. Ins. by Act No. 15 of 2013, w..e.f. 5-8-2013.

(b) any penalty, forfeiture or punishment incurred in respect of any offence committed against the Andhra Pradesh Municipalities Act, 1965; or

(c) any investigation, legal proceedings or remedy in respect of such penalty, forfeiture or punishment, and any such penalty, forfeiture or punishment may be imposed as if this Act had not been passed.

(3) Notwithstanding anything contained in sub-section (1), all notifications, rules, bye-laws, regulations, orders, directions and powers, made, issued or conferred under the Andhra Pradesh Municipalities Act, 1965 and in force in a Municipality immediately before the specification of its local area as a larger urban area shall, so far as they are not inconsistent with the provisions of this Act continue to be in force in the larger urban area comprised within the Corporation until they are replaced by the notifications, rules, bye-laws, regulations, orders, directions and powers to be made or issued or conferred under this Act.

14. Application of the provisions of the Hyderabad Municipal Corporations Act, 1955 (Act II of 1956):— (1) Save as otherwise expressly provided herein, all the provisions of the Hyderabad Municipal Corporations Act, 1955 (hereinafter in this section referred to as the said Act) including the provisions relating to the levy and collection of any tax or fee except Chapter V and Sections 380, 381, 382, 383, 384, 385 and 387 in Chapter XI thereof are hereby extended to and shall apply *mutatis mutandis* to a Corporation constituted under this Act and the said Act shall, in relation to the Corporation be read and construed as if the provisions of the said Act had formed part of this Act.

*(2) For the purpose of facilitating the application of the provisions of the Hyderabad Municipal Corporations Act, 1955, to the Corporation, the Government may, by notification, make such adaptations and modifications of the said Act and the rules and bye-laws made thereunder whether by way of repealing, amending or suspending any provisions thereof, as may be necessary or expedient and thereupon the said Act and the rules made thereunder, shall apply to the Corporation subject to the adaptations and modifications so made.

(3) Notwithstanding that no provision or insufficient provision has been made under sub-section (2) for the adaptation of the provisions of the said Act, or the rules made thereunder, any Court, Tribunal or Authority required or empowered to enforce these provisions may, for the purpose of facilitating their application to the Corporation, construe these provisions in such manner, without affecting the substance, as may, necessary or proper regard to the matter before the Court, Tribunal or Authority.

[1]**[14-A. General provision for reservation of office of Mayor in the Corporations of the State:—** Notwithstanding anything contained in sub-section (2) of Section 1 of this Act, out of the total number of offices of Mayor of the Corporations constituted either under this Act or under any other law relating to Municipal Corporations for the time being in force in the State, the Government shall, subject to such rules as may be prescribed, by notification reserve,—

(i) Such number of offices to the Scheduled Castes and Scheduled Tribes as may be determined subject to the conditions that the number of offices so reserved shall bear, as nearly as may be, the same proportion to the total number of offices to be filled in the State as the population of the Scheduled Castes or Scheduled Tribes, as the case may be, in all the Corporations of the State bears to the total population in the Corporations of the State and such offices may be allotted by rotation to different Corporations in the State;

[2][Provided that where the proportion of the population of the Scheduled Castes, or Scheduled Tribes as the case may be, in all the Corporations of the State does not constitute required proportion as prescribed enabling them for reservation, at least one office of the Mayor shall be reserved for Scheduled Castes or Scheduled Tribes as the case may be, without reference to the said required proportion.]

(ii) one-third of the offices to the Backward Classes and such offices may be allotted by rotation to different Corporations in the State;

(iii) not less than one-third of the total number of offices reserved under clauses (i) and (ii) for women belonging to the Scheduled Castes, Scheduled Tribes or as the case may be, the Backward Classes ; and

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* *Notification under Section 14(2):—*

Municipal Corporation of Hyderabad (Election of Mayor and Councillors — Election Petitions) Rules, 1987 — Extention of said rules to newly created Municipal Corporations

[G.O.Ms.No. 75, Municipal Administration and Urban Development (Elecs. I) (M.A.), dt. 16.02.1995]

In exercise of the powers conferred by sub-section (2) of Section 14 of the Andhra Pradesh Municipal Corporations Act, 1994 (Act 25 of 1994) the Governor of Andhra Pradesh directs that the Municipal Corporation of Hyderabad (Election of Mayor, Member and Election Petitions) Rules, 1987, shall apply *mutatis mutandis* to the Corporations constituted under the said Act.

1 Inserted by Act 25 of 1995.

2. Added by Act No. 12 of 2008, w.r.e.f. 02.02.2008.

(iv) not less than one-third (including the number of offices reserved for women belonging to the Scheduled Castes, Scheduled Tribes and the Backward Classes) of the total number of offices to be filled in the State for women, and such offices may be allotted by rotation to different Corporations in the State.]

[1][**14B. Constitution of a Municipal Corporation Service:** (1) Notwithstanding anything in this Act or the Rules made thereunder, the Government may after consulting all the Municipal Corporations, by notification in the Andhra Pradesh Gazette, constitute any class of officers or employees of the Municipal Corporations into a Municipal Corporation Service for the State.

(2) Upon issue of a notification under sub-section (1), the Government shall have power to make rules to regulate the classification, methods of recruitment, conditions of service, pay and allowances and discipline and conduct of the Municipal Corporation Service thereby constituted and such rules may vest jurisdiction in relation to such service in the Government or in such other authority or authorities as may be prescribed therein].

15. Levy and Collection of pipeline service charges:— The Government may, by notification, direct the Corporation to levy and collect pipeline service charges from every owner or occupier of a premises to which water connection has been given at such rate as may be prescribed to the different categories as may be specified in this regard to defray the capital cost of pipeline service works undertaken by the Corporation and the operation and maintenance of the pipeline system from time to time:

Provided that no such charges shall be levied on the owner or occupier of any premises situated in the areas which are not served by the pipeline system of the Corporation.

16. Transitional Provisions:— Where a Municipality ceases to exist and a Municipal Corporation is constituted in its place under this Act,—

(1) all property, 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 Municipal Council, with all rights of whatever kind used, enjoyed or possessed by the said Council as well as all liabilities legally subsisting against the said Council, shall, on and from the commencement of this Act and subject to such directions as the Government may, by general or special order, give in this behalf, pass to the Corporation;

(2) all arrears of taxes or other payments by way of compounding of a tax, or due for expenses or compensation or otherwise due to the said Council at such commencement may be recovered as if they had accrued to the Corporation and may be recovered as if the said arrears or payments had become due, under the provisions of this Act;

(3) all taxes, fees and duties, which immediately before the commencement of this Act, were being levied by the said Council, shall be deemed to have been levied by the Corporation under the provisions of this Act and shall continue to be, in force accordingly until such taxes, fees and duties are revised,

1. Added by Act 14 of 2013, w.e.f. 5-8-2013.

cancelled or superseded by anything done or any action taken under this Act;

(4) all proceedings taken by or against the Council or authority or any person under the Andhra Pradesh Municipalities Act, 1965, may be continued by or against the Corporation, authority, or person as if the said proceedings had been started under the provisions of this Act;

(5) any action taken under the Andhra Pradesh Municipalities Act, 1965, by any authority before such commencement shall be deemed to have been taken by the authority competent to take such action under this Act as if this Act had then been in force;

(6) notwithstanding this Act, every officer or employee who, immediately before such commencement was in the service of the Municipality shall be deemed to be an officer or employee of the Corporation:

Provided that,—

(i) the terms and conditions applicable to such officers and employees consequent on their absorption in the service of the Corporation shall not be less favourable than those applicable to such employees immediately before such commencement, as pay and allowance, leave, pension, gratuity, provident fund and age of superannuation; and

(ii) the service rendered by any such officer or other employee under the Municipality upto such commencement shall be deemed to be in service under the Corporation and he shall be entitled to count that service for the purpose of increments, leave, pension or provident fund and gratuity:

Provided further that any officer or other employee serving in the Municipality shall give an option to be exercised within such time and in such manner as may be prescribed either to be absorbed in the service of the Corporation or to be retained in the service constituted, under Section 72 of the Andhra Pradesh Municipalities Act, 1965 (Act VI of 1965), or to be retrenched from the service of the Municipality on such retrenchment benefits as may be prescribed;

(7) any division of the Municipality into wards made under the Andhra Pradesh Municipalities Act, 1965 and in force at the commencement of this Act, shall, be deemed to be a division of the Corporation;

(8) the electoral roll prepared for the Municipality under the Andhra Pradesh Municipalities Act, 1965 (Act VI of 1965), and in force at the constitution of the Corporation shall be deemed to be the electoral roll for the Corporation until a new electoral roll is prepared and published; and the part of the said electoral roll relating to each ward of the Municipality shall be deemed to be the list of the electoral roll for the corresponding division of the Corporation.

17. Appointment of Special Officer:— (1) Whenever a new Municipal Corporation is constituted under this Act, there shall be appointed by the State Government, by a notification in the Andhra Pradesh Gazette, a Special Officer to exercise the powers, perform the duties and discharge the functions of,—

(a) the Corporation;

(b) the Standing Committee;

(c) the Commissioner; and

(d) the Wards Committee.

(2) The State Election Commission shall cause elections to be held to the Corporation within one year from the date of its constitution and the newly elected Members shall enter upon office on such date as may be specified by the Government in this behalf, by a notification in the Andhra Pradesh Gazette.

(3) The Special Officer shall exercise the powers, perform the duties and discharge the functions of the Corporation until the elected Members come into Office of the Standing Committee until a Standing Committee is appointed by the Corporation, or the Commissioner, until a Commissioner is appointed by the State Government and of the Wards Committees until the Wards Committees are constituted, as the case may be, and any such officer may, if the State Government so direct, receive remuneration for his services from the Municipal fund.

(4) Until a new Special Officer is appointed by the Government under sub-section (1), the Special Officer of the Municipality functioning immediately before the commencement of this Act shall be deemed to be the Special Officer of the Corporation and he shall exercise the same powers and perform the same duties and discharge the same functions as those exercised, performed and discharged by the Special Officer appointed under sub-section (1).

18. Power to make Rules:— (1) The Government may, by notification, make rules for carrying out all or any of the purposes of this Act.

(2) Every rule made under this Act shall immediately after it is made, be laid before the Legislative Assembly of the State, if it is in session and if it is not in session, in the session immediately following for a total period of fourteen days which may be comprised in one session or in two successive sessions, and if, before the expiration of the session in which it is so laid or the session immediately following the Legislative Assembly agrees in making any modification in the rule or in the annulment of the rule, the rule shall, from the date on which the modification or annulment is notified, have effect only in such modified form or shall stand annulled as the case may be, so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

19. Repeal of Ordinance 9 of 1994:— The Andhra Pradesh Municipal Corporations Ordinance, 1994 is hereby repealed.

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