A Brief Report of the Govt. of India sponsored Project on

FUNCTIONING OF AUTONOMOUS COUNCILS IN THE SIXTH SCHEDULE STATES OF NORTHEAST INDIA

Prof. E.D. Thomas (Principal Investigator)
Prof. P. Nayak & Dr. S. Umdor (Joint Investigators)

The brief report is divided into fourteen Sub-sections as follows:

I. On the Constitution of District Councils, Composition and Elections held
   i. Constitution of District Councils

   **Mizoram**: Since adoption of the Constitution, the administration of Lushia/Mizo Hills was under the Mizo District Council constituted under the provisions of the Sixth Schedule of the Constitution. In 1953, the Government of India constituted an autonomous regional council called the Pawi-Lakher Regional Council for the tribal minority groups of Pawi and Lakher people within the then Mizo Autonomous Council. In 1972, when the Mizo District was elevated to the status of Union Territory (under the North Eastern Areas (Reorganisation) Act 1971) the Mizo District Council was dissolved and the Pawi-Lakher Autonomous Regional Council reorganized into three autonomous regional councils for the small tribal communities. On April of 1972, under paragraph 20B of the Sixth Schedule which provided for creation of separate district councils for every autonomous region in the union territory of Mizoram, three autonomous district councils were created for Lakher, Pawi and Chakma districts. In 1989, the Sixth Schedule of the Constitution (Amendment) Act, 1988 changed the name of Lakher district to Mara District and that of Pawi district to Lai district. Thus, in Mizoram we have three autonomous district councils namely (i) Chakma Autonomous District Council (CADC) (ii) Mara Autonomous District Council (MADC) and (iii) Lai Autonomous District Council (LADC) for the three tribal areas in the State as specified in part III of the table appended to paragraph 20 of the Sixth Schedule as amended.

   **Tripura**: The Tripura Tribal Autonomous District Council or TTAADC was not initially included in the list of tribal areas included in paragraph 20 of the Sixth Schedule as originally enacted. It was constituted in 1979 under the Seventh Schedule of the Constitution. Later, the Sixth Schedule was extended to the TTAADC on the 1st of April 1985 by the 49th Amendment of the Constitution which inserted the Tripura Tribal Areas District in part IIA of the table appended to paragraph 20 of the Schedule as amended. Sub-paragraph 3 of the same paragraph defines the area as those specified in the First Schedule of the Tripura Tribal Areas Autonomous District Council Act, 1979.

   **Meghalaya**: Since the adoption of the Constitution, the provisions of the Sixth Schedule were made applicable to the United Khasi Jaintia Hills District and the Garo Hills District. In 1964, a new autonomous district called the Jowai Autonomous District Council was created by excluding the Jowai Sub-division from the United Khasi Jaintia Hills District. In 1973, the Governor changed the names of the United Khasi-Jaintia Hills and Jowia Hills District to Khasi Hills District and Jaintia Hills District as per provision contained in paragraph 1 (3) (ff) of the
Sixth Schedule of the Constitution. Thus, in Meghalaya we have three autonomous district councils namely (i) Khasi Hills Autonomous District Council (KHADC) (ii) Jaintia Hills Autonomous District Council (JHADC) and (iii) Garo Hills Autonomous District Council (GHADC) for the three tribal areas in the State as specified in part II of the table appended to paragraph 20 of the Sixth Schedule as amended.

Assam: Both the North Cachar Hills and Mikir Hills were included in the list of tribal areas appearing in the table in paragraph 20 of the Sixth Schedule as originally enacted. After commencement of the Constitution of India, North Cachar Hills (N.C. Hills) along with Mikir Hills was constituted under a new civil district called the ‘United district of North Cachar & Mikir Hills’. In 1952, two district Councils, namely the N.C. Hills District Council and the Karbi Anglong District Council, were constituted within the geographical boundary of the United Mikir and N.C. Hills district. The N.C. Hills District Council was inaugurated on 29th of April in 1952, while the Karbi Anglong District Council was constituted on 23rd of June in the same year. In 2nd of February 1970, the United district of North Cachar and Mikir Hills was bifurcated into two separate districts- the Mikir Hills District and N.C. Hills - with the geographical boundary of autonomous N.C. Hills District council and the Karbi Anglong District council. In October 1976, the Governor altered the name of The Mikir Hill district to ‘Karbi Anglong District’ as per provision contained in paragraph 1 (3) (ff) of the Sixth Schedule of the Constitution. As per the Sixth Schedule to the Constitution (Amendment) Act of 1995, the district council constituted for N.C. Hills District was changed to N.C. Hills Autonomous Council (NCHAC). Likewise, the District Council constituted for Karbi Anglong Hills District was changed to Karbi Anglong Autonomous Council (KAAC) [vide insertion of proviso to paragraph 2(3)].

The Bodoland Territorial Council (BTC) is an outcome of the agreement reached between the Central Government, State Government and the Bodo Liberation Tiger (BLT) for creation of BTC under the Sixth Schedule of the Constitution. The formation of the BTC is a consequent of a long drawn movement for creation of a separate state for the Bodos, one of the largest plain tribes of Assam. Initially in 1993, an agreement was reached between Centre and the State government and the representatives of the Bodo community, which led to the formation of the Bodoland Autonomous Council (BAC) constituted under the Bodoland Autonomous Council Act of 1995 (Assam Act of 1993). However, right from the beginning, the functioning of the BAC was marred by serious ambiguity regarding the territorial jurisdiction and also the powers and function of the council. This led to reemergence of the demand for separate statehood. Finally, in 10th of February 2003, after series of rounds of negotiation, a Memorandum of Understanding was signed amongst the Central Government, State Government and the BLT for creation of BTC under the Sixth Schedule of the Constitution. Consequent to this agreement, the Sixth Schedule to the Constitution (Amendment) Act, 2003, was passed by Parliament and the BTC was constituted as per provisions of the Sixth Schedule. Accordingly, the Bodoland Territorial Area District was added to as item no.3 of part I of the table appended to paragraph 20 of the Sixth Schedule of the Constitution.

ii. Composition of District Council and Elections held
The Sixth Schedule provides for district councils for each of the tribal areas appearing in the table appended to paragraph 20. The Council is to consist of a maximum of 30 numbers (46 in case of BTC) of whom not more than
four (six in the BTC) can be nominated by the Governor. The members of the District Councils are elected on the basis of adult suffrage and hold office for a term of five years, while the nominated members hold office at the pleasure of the Governor. The Governor may extend the term of a period not more than a year at a time during national emergency or in the event of unsuitable circumstances to the holding of elections. The number of members (elected and nominated) constituting the Councils and general elections held since formation of all the ten Autonomous Councils are given as follows.

<table>
<thead>
<tr>
<th>Autonomous Councils</th>
<th>Elected Members</th>
<th>Nominated Members</th>
<th>Total Members</th>
<th>Elections held</th>
<th>Total No. Of Elections held</th>
</tr>
</thead>
<tbody>
<tr>
<td>MADC</td>
<td>22</td>
<td>4</td>
<td>26</td>
<td>1973 - 2007</td>
<td>9</td>
</tr>
<tr>
<td>CADC</td>
<td>13</td>
<td>4</td>
<td>17</td>
<td>1972 - 2003</td>
<td>7</td>
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<tr>
<td>LADC</td>
<td>23</td>
<td>4</td>
<td>27</td>
<td>1972 - 2005</td>
<td>8</td>
</tr>
<tr>
<td>TTAADC</td>
<td>28</td>
<td>2</td>
<td>30</td>
<td>1985 - 2005</td>
<td>5</td>
</tr>
<tr>
<td>KHADC*</td>
<td>29</td>
<td>1</td>
<td>30</td>
<td>1952 - 2004</td>
<td>10</td>
</tr>
<tr>
<td>JHADC</td>
<td>29</td>
<td>1</td>
<td>30</td>
<td>1967 - 2004</td>
<td>9</td>
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<tr>
<td>GHADC*</td>
<td>29</td>
<td>1</td>
<td>30</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>NCHAC*</td>
<td>23</td>
<td>4</td>
<td>27</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>KAAC</td>
<td>26</td>
<td>4</td>
<td>30</td>
<td>-</td>
<td>2007</td>
</tr>
<tr>
<td>BTC*</td>
<td>40</td>
<td>6</td>
<td>46</td>
<td>2005</td>
<td>1</td>
</tr>
</tbody>
</table>

*Councils that have not provided information as requested. The information provided here is based on information collected from other sources. Some of the information is not available.

While elections to the Council are held regularly as per provision of the Sixth Schedule, the Governor, in exercise of his power as given in sub-paragraph A of paragraph 2 of the Schedule, has extended the terms of office of members of Councils in the following cases:

(i) JHADC: in 1983 for a period of four months and six days on account of impracticable of holding of election.
(ii) KHADC: in June 1957 (for six months) due to process of delimitation of constituency and 1963 to 1967 due to non-completion of the delimitation.
(iii) KAAC: on five occasions, the latest being on 24 of July 1995 for a period of one year due reasons cited only as ‘State government inability to hold election before the expiry of the Council’s term’.

II. On Details of Laws Enacted by the Councils on Matters as under Paragraph 3

Mizoram: All the three district councils have enacted legislations on subject assigned in paragraph 3, except on the use of canal water or water for purpose of agriculture. The Councils has not enacted any legislation on the subject of removal and appointment of village headmen as the institution of village chiefs were removed by the Government of Assam in 1952 and replaced by village council.

There are three bills passed by MADC, seven by CADC and three by the LADC that have not received the assent of the Governor.

Tripura: TTAADC has enacted legislation on the allotment and use of land, management of forests, village and town administration. The TTAADC (Forest Management & Control) Bill, 1992, is still pending with State government.
**JHADC**: The Council has enacted a number of legislations on the subject assigned to it, except those relating to regulating and control of jhumming and the use of water for purpose of irrigation. There are some bills such as The Jaintia Hills Autonomous District Land and Revenue Bill, 1990; The Jaintia Hills Autonomous District (Christian Marriage) Bill, 1995; and The Jaintia Hills Autonomous District (Christian Divorce) Bill, 1995; which are yet to receive assent of the Governor.

**KAAC**: The Council has enacted legislation relating to allotment and use of land, forest management, village and town administration, shifting cultivation and on social customs. The Council has not reported of any bill lying pending with the Governor.

**Recommendation**: There is inordinate delay in giving assent to bills passed by the Councils. A bill passed by the JHADC in 6th of December 1991 (The Jaintia Hills Autonomous District Land and Revenue Bill, 1990) has not received Governor’s assent nor returned back to the Council. Furthermore, the Council has also not received any communication from the State government for the inordinate delay. In another case, as many as seven bills passed by the CADC are lying with the State government. Therefore, a fixed time frame has to be set within which bills passed by the Councils have to be either sanctioned by the Governor or returned to the Council for necessary clarifications and/or reconsideration.

In the case of Meghalaya, paragraph 12A which gives supremacy to laws enacted by the State legislature over that of Council’s laws in respect of subject mentioned in paragraph 3 should be withdrawn and paragraph 12B or 12AA be made applicable to the State of Meghalaya. Further, discretion should be granted to the Governor of Meghalaya in exercise of his powers under various provisions of the Sixth Schedule as conferred by Paragraphs 20BA and 20BB to Governors of Assam, Tripura and Mizoram.

There is a significant difference in powers to make laws on subjects devolved to Councils as provided in paragraph 3, 3A and 3B. Councils in Assam have more powers that those in the other three states. This has to be addressed by extending the provisions of Paragraph 3A to the other Councils in Mizoram, Tripura and Meghalaya.

**III. On the Number of Cases Handled by the District Councils**

**Mizoram**: All the three district councils have enacted legislations for administration of justice in Council areas and have constituted three classes of courts; Village Courts for village Council; Subordinate District Council Courts and one District Council Court.

**JHADC**: The Council has three classes of courts at village level, subordinate council courts and one district court.

**TTAADC**: In case of TTAADC, the Council is yet to constitute Judicial courts as per provision of the Schedule.

**KAAC**: No information was provided by KAAC on this account.

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1. It is highly unlikely that State governments would agree to any move to extend provision of paragraph 3B which confer extensive powers to BTC to the other Councils as this would dilute their own powers.
Mizoram: The three district councils in the state are directly involved in establishment and maintenance of primary schools, markets sheds, village roads and footpath, boats and ferries, and in construction of seasonal wooden bridges. The Councils are also involved in promotion of livelihoods through the promotion of agriculture, animal husbandry, fisheries and co-operative societies. The Councils also provide payment of old age pensioners, financial assistance to orphan, destitute, physically challenged persons as part of its social welfare activities.

TTAADC: The Council is involved in establishment and management of primary schools besides also implementing centrally sponsored schemes such as the Sarva Siksha Abhijan (SSA) and Cooked Mid-day-meal programmes. It also managed two hospitals established by the district council. It also involved in construction of market shed and management of primary markets. The Council is responsible for construction and maintenance of village roads and construction of bridges and culverts.

JHADC: The district council is involved in establishment and the management of primary schools (82 schools), the control and management of markets (15 markets), construction of village roads, and in community projects such as construction of water tank, community halls, bridges etc.

KAAC: The Council is involved in management and control of markets and in the construction and management of roads. It has not provided clear information on the nature of its involvement in running of the primary schools, dispensaries and the veterinary dispensary under their jurisdiction.

A comparison of the function devolved to the Councils shows a wide disparity in the functions devolved to the Council in the four states. For example, devolution of functions to district councils in Meghalaya is very limited when compared to Councils in Mizoram and Assam. In addition, the formal transfer of functions to Councils has not been matched by the concomitant transfer of funds, functionaries and mapping of activities (within department) to be performed by Councils and state government.

For example, in Mizoram although the State government has formally handed over the administration of certain activities of 20 departments to the Councils way back in 1993, the departments continued to function under the administrative control and direction of the State government. In LADC, it is reported that even in case of primary school education over which the Council is having full administrative control, the teaching staff of the State government whose service have been transferred to the Council are treated as on deputation on foreign service. Further, the necessary funding for departments/activities devolved to the Council has not been transferred, as a result of which the Council is not in a position to exercise complete control over these departments/activities. In MADC, some department such as agriculture and sericulture function as dual department of state government and MADC.

TTAADC also faced similar problems contending that except for primary education, the transfer of other departments to the Council is only in paper as it has not been accompanied with transfer of officials and staff, funds and infrastructure of these departments.
**Recommendation:** The disparity in the devolution of functions to Councils in Meghalaya and Tripura has to be addressed. More functions have to be devolved to Councils in these two states. Further, devolution of functions must not only be in paper but must be accompanied with actual transfer of funds and functionaries of the departments and mapping of activities assigned to the Councils. Steps have to be taken to restructure the administration of the Council to ensure financial and administrative accountability. Capacity building of Council members (MDCs) and staff need to be undertaken to enable the Councils to discharge its functions effectively.

The development activities of the Councils are at present very limited. There is therefore an urgent need to enlarge the scope of development activities of the Councils in line with functions assigned to the panchayats. There is also a need to secure people’s participation in planning and implementing of development activities to lower tier of elected local government institutions at the village and intermediate levels. In order to ensure maximum participation of people at the grass roots in development programme, implementation of central sponsored schemes should be entrusted to district councils and lower tier of local government such as village councils. Devolution of powers and function from the Executive Committee of the Council to lower unit such as elected village councils and intermediate bodies is also an issue that needs to be addressed.

V. **On Collection of Revenue**

**Mizoram:** there are two sources of income for the Councils namely revenue mobilized by the district councils as per provisions of the Schedule and Grants-in-aid from State government. The sources of revenue are (1) Taxes on Income and Expenditure- tax levied and collected by the Council from professionals working in Council’s area and trade license fees (2) Forest- royalty from timber and other forest produce (3) Land revenue- taxes on land, houses, buildings and other receipts (4) Education- affiliation and examination fees collected from schools in Council areas- (5) Public Works -rent received from Council’s building, other receipt (6) Other General Economic Services- rent from stalls in district Council markets, taxes and tools collected from goods entering Council markets and from other receipts from Council market (7) Other General Administrative- certifying and application fees.

**TTAADC:** The Council receives funds from the State government under (i) Plan Grant- fund earmarked in the State budget plan (ii) Transfer fund- funds earmarked by line departments of the State Government which are place to District Council as transferred Fund (iii) Own Fund - share of taxes and revenue mobilized by Council; the state government collects some of these taxes on behalf of the Council which is then share with the Council on agreed percentage as given below:

- Forest Revenue – 75 per cent,
- Agriculture Income Tax – 50 per cent,
- Land Revenue Tax – 40 per cent,
- Professional Tax – 25 per cent,
- Motor Vehicle Tax – 25 per cent
- Royalty from Natural Gas – 30 per cent

\[2\] This aspect has been dealt with in the Report of the Expert Committee on ‘Planning for Sixth Schedule Areas and those areas not Covered by Part IX AND Part IX-A of the Constitution. It is not being reiterated here.
The Council also directly mobilises resources by way of sale of proceeds of its fish piggery and firms, auction of village markets, sale proceed of industrial training centres, rent of stalls, trade license fees, etc. However, the amount collected directly by Council from these sources is very nominal.

**JHADC:** The revenue mobilised by the Council are (1) Land revenue- land tax, survey fee and maps, fees for issuing of land valuation certificate, land patta, no objection certificate (NOC) and land holding certificate (LHC) (2) Market- market tolls and taxes on entry of goods into markets established by Council, market established by individuals (private markets) and also from market stall (3)Taxes on Professionals (4) Trading licenses- fees for trading licenses issued to non-tribals (5) Fisheries- rent on seven fisheries units under management and control of the Council (6) Forest- receipt from weigh-bridge, royalties from forest products such as timber, bamboos, charcoal, cane, broomsticks (7) Share of royalties from coal and minor minerals such as limestone and also from forest product (8) Administration of justice- certifying fees and court fees (9) Taxes on vehicles- share of motor vehicle taxes and also from revenue generated by toll gates established by the Council (10) Stamps and forms- stamps and registration fees and the sale of forms. Other sources of revenue include interest on investment and miscellaneous receipt. The Council also receive funds from State government in the form of Grants-in-aid.

**KAAC:** The sources of revenue are (1) Taxes on income and expenditure (2) Land revenue. (3) Stamps and registration fees (4) Taxes on Vehicle (5) Interest Receipt- interest on loans and advances to Council employees (6) Stationery and printing- sale of forms, rates etc. (7) Public Works- rent received from Council buildings (8) Other Administration Service- application fee, fines and confiscation imposed and realized by judicial officer of the Council and other receipts (9) Education (10) Public work sanitation and water supply- water tax and water connection charges under rural water supply schemes (11) Other general economic services- receipt from Council markets and other receipt (12) Fisheries- receipts from auction of fishing rights (13) Forest (14) Mines and minerals- share from State government on minerals receipts (15) Road and bridges- ferry receipt and sale proceeds from ferry Ghats (16) Roads and transport services- income from road transport and share from government road transport. Revenue collected by the councils from these sources is as per laws and orders enacted and issued from time to time. The details of such laws and orders and the importance of these sources are discussed in detail in the preceding chapters on the Councils.

Except for JHADC where as much as 90 per cent of the revenue generated by then council came from royalties from coal and minor minerals, the other Councils largely depend on the grants-in-aid from the state government for funding their administrative and development activities. Their own source of revenue (revenue receipt) is very limited as evident in the table given below.
The financial position of Councils in Mizoram and the KHADC and GHADC in Meghalaya (although these two Councils in Meghalaya have not been discussed in this Study for reasons already described) is particularly precarious with a very small percentage of their total receipt coming from funds mobilised by the councils themselves.

**Recommendation:** The financial dependency of the Councils on the State government can be reduced through different measures. First, the devolution of functions to the Councils must be accompanied along with immediate transfer of funds - salary, wages and schematic funds - to the Councils. Secondly, it must be ensured that share of royalties collected by the State government from minerals and forest produce are transferred to the Councils within a definitely time period. In this connection, provision of paragraph 9(3) of the Sixth Schedule should be extended to all the district councils. Thirdly, in order to widen the local revenue base of the Councils in Meghalaya and Assam, an amendment should be made to paragraph 9 the Sixth Schedule to empower Councils in these two states to make regulation to levy taxes on tribal traders operating within the jurisdiction of the Council. Lastly, the centre should consider a mechanism for direct funding of the Councils. At present, under Article 275 (1) of the Constitution of India, the Councils receive grants-in-aid from the consolidated fund of India. This fund is released by the Ministry of Tribal Affairs, Government of India, to the State government which then releases it to the Council through concerned state department. This fund could be directly sanctioned and released to the Councils. Further, paragraph 13 of the Sixth Schedule should be amended by incorporating the provision of direct allocation through the Consolidated Fund of India of plan fund and non-plan fund to the Councils.

**VI. On Details of the Licenses/Leases issued/Carried out in Reference to Prospecting for, or Extraction of Minerals**

**Mizoram:** The Council issues licenses for extraction of sand, stone and forest produce such as timber, bamboo, charcoal, fodder, broomstick, canes, firewood, etc from the Council area. Royalties received by the Council from the above items/ activities are collected and appropriated by the Council itself and does not come from State government.
TTAADC: The Council has been receiving 75 per cent of the share of forest revenue collected from area within Council jurisdiction from the state government. Further, in 2006-07, the Council received 30 per cent royalty from natural gas from the state government.

JHADC: The Council receives 25 per cent and 40 per cent of share of royalties from licenses granted by the state government for extraction of limestone and sand from Jaintia Hill district. The Council also receive share of royalty on coal from state government. In the ten years from 1997 to 2007 the number of licenses issued for extracting of limestone has increased from 4 to 17. In case of sand, from one license issued in 2001 the number of licenses issued has jumped to 32 in 2006. The Council also grants licenses from extraction of mineral and forest produce such as timber, bamboos, charcoal, broomstick and cane.

KAAC: Although the Council has not provided any information on this matter, it is evident from budget documents that it is receiving share of royalty on minerals from the State government. In 2004-05, this source contributed 17 per cent of the revenue mobilised by the Council.

Recommendation: One of the complaints of the Councils in Meghalaya is that most often the State government makes undue delay in releasing the Council share of royalties from minerals and forest products. In order to ensure timely release of such funds, Paragraph 9 (3) of the Sixth Schedule should be extended to district councils in Assam and Meghalaya to ensure that such funds are released within a definitely period.

VII. On Details of Regulations passed by District & Regional Councils in Reference to Money Lending and Trading

Mizoram: Of the three autonomous district Councils in the state, only CADC has enacted the CADC (Money Lending & Control) Regulations, 2005 that provides for regulation of money lending business that is widespread within area under jurisdiction of CADC. The other Councils have not passed any legislation as money lending as this activity is not a common practice in their area.

All the Councils have however enacted laws for regulation of trading in their respective areas. The Executive Committee of the MADC under the powers conferred by the MADC (Trading) Regulation, 1990 has made rules, through an Executive Order (No. 79/2001) for regulation of trading in the Council area. At present, obtaining of trading license is mandatory for undertaking trading activities in area under jurisdiction and the license fees fixed as per Executive Order. All trading licenses are renewable every year.

In LADC, trading activities is regulated by two types of licenses. One type is issued to non-tribal (The Pawi Autonomous District (Trading by non-tribals) Regulation and its supporting Rules, 1980) and another to tribal traders (The LADC (Revenue Assessment) Regulation of 2000). The Council has also enacted The LADC (Trading Regulation) 2002 and it’s supporting rules The LADC (Trading Regulation) Rules 2004, they are yet to be enforcing in practice.

The CADC has passed the CADC (Trading Regulation) 2005 for regulation of trading activities in the Council area. The bill has been returned for after making correction as per the observation made by the Law Department.
TTAADC: The Council has not enacted any legislation on regulation of money lending. However, trading is regulated by the TTAADC (Establishment, Management and control of Market) Regulation, 1987, according to which trading license has to be obtained from the Council for carrying out business activities in the Council area on payment of license fee of Rs. 50 for ST and Rs. 100 for all others.

JHADC: In 1967, the Council enacted The Jowai Autonomous District (Administration) Act, 1967, which adopted 16 Acts, Rules, and Regulations made by the United Khasi-Jaintia Hills Autonomous District Council among these the United Khasi-Jaintia Hills Autonomous District Council (Trading by Non-tribals) Regulation (and its amendment in 1955) and the supporting rules [United Khasi-Jaintia Hills Autonomous District Council (Trading by Non-tribals) Rules, 1959]. The Council has however, not provided information on whether any license has been issued for this purpose. Trading by non-tribals is regulated by the The United Khasi-Jaintia Hills Autonomous District (Trading by Non-tribals) Rules, 1959 as amended. As per this law, the Council issues licenses for trading by non-tribals against payment of license fees whose rates differs according to the nature of trade.

KAAC: The Council enacted the Mikir Hills District (Money-lending by Non-tribals) Regulation in 1953 and the Mikir Hills District (Money-lending by Non-tribals) Rules in 1955 on regulation of money lending. Under the regulation, money lending by non-tribals is governed by the terms of a license issued by the Council. The Council has however, not provided information on whether any license has been issued for this purpose. Trading by non-tribals is regulated by the Mikir Hills District Council (Trading by Non-tribals) Regulation, 1953 (and its subsequent amendment in 1963) and the Mikir Hills District (Trading by Non-tribals) Rules, 1976, according to which license fee is levied on trading activities depending on the nature of trade. The details of the trade license fees and number of licenses issued are discussed in detail in the preceding chapters on the Councils.

Recommendations: The Amendment made by the Sixth Schedule to the Constitution (Amendment) Act, 1988, empowering Councils in Tripura and Mizoram to make regulation for the control of money lending and trading (under paragraph 9) to all residents within the autonomous district should be extended to include councils in Meghalaya and Assam.

VIII. On Details of Publications brought out by the Councils.
All laws, rules and regulations passed by the Councils and assent to by the Governor are published in the official gazette of the state as per the provision in paragraph 11 of the Sixth Schedule of the Constitution.

IX. On Whether the Autonomous Councils are presenting the Annual Financial Statement indicating the Allocation of Funds, Expenditure incurred therein

Paragraph 13 of the Sixth Schedule requires the statement of the estimated receipt and expenditure pertaining to an autonomous district which are to be credit to or is to be made from the consolidated fund of the state has to be first placed before the Council for discussion and then only it is to be laid before the legislature of the state. In Mizoram, although this provision has been incorporate in the (Constitution, Conduct of Business, Etc) Rules of all the three Councils, this provision is not followed by the state government.
However, under the rules for constitution and the conduct of Business Etc, of 2002 enacted by the three district councils, the Executive Member in-charge of the financial affairs has to place before the Council the statement of estimated receipt and expenditure of a particular financial year which are to be credit to or is to be made from the district fund of the district council. This process is followed by the all the three councils and the budget are placed in the budget session of the Council every financial year for voting.

In TTAADC, the size of annual outlay of Council is finalized in consultation with the State Government before placing the budget for voting in the budget session of Council. As soon as the budget of Council is voted in its session the State Government is intimated for incorporation of the budget of Council with the Annual Financial Statement of the State Government for lying before the State Legislature. District Council prepares budget according to procedure laid down in District Council (Budget and Account) Rules, 1982.

In the case of KAAC and JHADC, the budget pertaining to the autonomous district is first placed before the Council before it is tabled in the state legislature. However, as the budget is sent to the Council just a few days before the same is tabled in the State legislature, there is very little time available to discuss the budget. The budget is sent back to the state government without the Council having any meaningful discussion on it. As per the District Fund Rules of the KAAC and JHADC, the responsibility for preparing the budget of the Council lies with the Member-in-charge of Financial Affairs. Accordingly the annual budget of the estimated receipts and expenditure of the Council for a particularly year is placed in the annual session of the Council for voting.

Recommendation: To allow and facilitate proper deliberation by the Councils on the budget proposal of autonomous district, a definitely time period should be fixed for the budget proposal to be place in the Councils before it is laid in the state legislature.

X. On Whether any Commission has been appointed by the Governor to report on the Administration of Autonomous Councils

Mizoram: A one man enquiry commission was appointed in 1976 into the affairs of the Pawi District Council (LADC). The commission was headed by Shri. S. P Agarwal. The term of reference of the commission was to enquire on whether the Council was functioning within the ambit of the Sixth Schedule of the Constitution, the general administration of the Council and also on the management of funds by the Council. The commission recommended the dissolution of the Council as provided in paragraph 16 of the Sixth Schedule and that the administration of the Council be placed under an able administrator for a period of twelve months.

TTAADC: Two commissions have been constituted in case of TTAADC. The first one in 1998 was constituted to look in to the issue of including the left out tribal villages into the TTAADC. Based on the report of the committee, the Governor recommended the inclusion of 726 tribal villages/hamlets into the TTAADC. This task has been completed. The second commission was appointed in 2000 to look into the issue of excluding non-tribal areas from the TTAADC. Based on the report of the committee, the Governor recommended the exclusion of 11 non-tribal villages/hamlets from the TTAADC. This task has been undertaken.
Meghalaya: In 1984, a commission was appointed to enquire on administration of autonomous Districts in Khasi, Jaintia and Garo Hills in the state of Meghalaya. The commission was headed by S. K. Dutta (Retd) Chief Justice Guwahati High Court. The objectives of the study was to enquire and report on (i) The provision of educational and medical facilities and communications in each such districts and regions (ii) The need for any new or specific legislation in respect of such districts and regions and (iii) The administration of laws, rules and regulations made by the district and regional Councils.

KAAC: Two commissions were appointed to enquire into the maladministration and financial mismanagement of district Council fund. No further information was provided by the Council on the findings and recommendations of the commissions.

XI. On Whether any Laws/Resolutions passed by the Councils have been suspended by the Governor

Of the six Council under study, there is only one case in which a resolution of the KAAC on development committee (KAAC’s Order No. KAAC/XVII/L/211/57/1284) passed on 06/07/1996 was suspended by the Governor. This suspension has not been withdrawn till date.

XII. On whether any Autonomous Council have been dissolved at any time

Mizoram: The MADC has also been suspended once in 23rd of January 1985 on account of alleged mismanagement of fund and administrative failure and on the second time on 5th of March 2007 due to mass resignation of 14 of the 26 members of the Council. On both occasions, the Deputy Commissioner was appointed as Administrator of the Council.

Since its formation, the CADC has also been suspended once in 1976 on account of alleged mismanagement of fund and the administration of the Council was taken over by the Sub Divisional Officer.

The LADC has also been dissolved four (4) times and suspended five (5) times on account of two reasons, namely on the allegation of mis-management of funds or due to unstable political situation and on these occasions either the Deputy Commissioner or the Sub-divisional officer (civil) was appointed as Administrator of the Council.

JHADC: Since its formation, the Council has also been dissolved /suspended six times mainly due to reason describe as constitutional breakdown which is used to describe instability in the Councils when not of the competing political parties are able to muster a majority to form the Executive committee.

<p>| Number of times the Council has been dissolved/kept in Suspended Animation |</p>
<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Period</th>
<th>*Reasons</th>
<th>Officers/ persons appointed by governor as administrator</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>02-04-1970 - 31-03-1973</td>
<td>On account of resignation of Chief Executive Member</td>
<td>MDC</td>
</tr>
<tr>
<td>2</td>
<td>31-03-1978 - 26-06-1978</td>
<td>Due to Constitution breakdown</td>
<td>DC</td>
</tr>
<tr>
<td>3</td>
<td>18-11-1978 - 28-11-1978</td>
<td>Due to Constitution breakdown</td>
<td>DC</td>
</tr>
<tr>
<td>4</td>
<td>29-03-1986 - 04-09-1986</td>
<td>Due to Constitution breakdown</td>
<td>DC</td>
</tr>
<tr>
<td>5</td>
<td>01-04-2000 - 27-06-2000</td>
<td>Due to Constitution breakdown</td>
<td>DC</td>
</tr>
<tr>
<td>6</td>
<td>25-07-2007</td>
<td>On account of frequent change of the Executive committee</td>
<td>DC</td>
</tr>
</tbody>
</table>
KAAC: The Council has also been dissolved /suspended six times on account of various reasons given below.

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Period</th>
<th>*Reasons</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>02/01/1981 to 06/03/1981</td>
<td>Disruption of democratic functioning of the Council</td>
</tr>
<tr>
<td>2</td>
<td>12/09/1985 to 18/11/1985</td>
<td>Administration of the Council cannot be carried in accordance with the provision of the Sixth Schedule</td>
</tr>
<tr>
<td>3</td>
<td>09/11/1992 to 29/07/1993</td>
<td>Financial and misappropriation of the forest revenue by the Council</td>
</tr>
<tr>
<td>4</td>
<td>15/03/2001 to 10/06/2001</td>
<td>Administration of the Council cannot be carried in accordance with the provision of the Sixth Schedule</td>
</tr>
<tr>
<td>5</td>
<td>11/06/2001 to 11/12/2001</td>
<td>Administration of the Council cannot be carried in accordance with the provision of the Sixth Schedule</td>
</tr>
<tr>
<td>6</td>
<td>12/12/2001 to 21/12/2001</td>
<td>Non possibility of formation of KAAC</td>
</tr>
</tbody>
</table>

XIII. On Whether there is Predominance of any Family, Group, Class or other Category in the Autonomous Councils

The study collected information on the name, gender, qualification, and occupation of members of the Council since formation. The information collected through the questionnaire do not indicate the dominance of any family or class in the Council, except that in most of the Councils there is negligible representation of women as members of the Councils. For example, in JHADC, there has been no elected woman member till date and only one nominate member (1978-1983). In KAAC, only one women member was elected in the 1996 and one in 2001 general elections. This number increased to three in the 2007 general election.

In case of Mizoram the situation is the similar in all the district councils. In MADC there have been only two elected women members and four nominated women members since inception. In the general elections to LADC conducted since the constitution of the Council no women has been elected. However, since 1992, one of the four nominated members of LADC has been a woman. In the case CADC, only one woman has been elected to the Council, and four have been nominated to the Council since 1972. In TTAADC, two women were elected to the Council in 1995 and one in 2005 general elections. Also, since the 2nd general election, one of the two nominated members has been women.

**Recommendation:** Considering the very low representation of women in all the councils, it is necessary to increase women participation in the decision making of district councils. This can be achieved by reserving certain numbers of seats for women in the district councils. Reservation of women in village councils and committee should also be considered after making a thorough study of the situation in the existing village committee/councils.

XIV. On the Perception of the People regarding the Councils and their Impact on their Lives

Participants from the villages under TTAADC and district Council in Mizoram and Tripura were of the opinion that the Council has an important role in initiating development activities in the Council area and also in
protecting the interest of the tribals. They see the Council as an important institution which needed to be fully supported by the State and Central government. They are also aware that the Council is fully dependent on the state government for funds. They also pointed out that the politicization of the Council at all levels as being an important factor that hinders the Council from discharging their functions and responsibilities effectively.