

**GOVERNMENT OF INDIA
MINISTRY OF HOUSING AND URBAN AFFAIRS
LOK SABHA
UNSTARRED QUESTION NO. 3158
TO BE ANSWERED ON AUGUST 06, 2026**

NITI AAYOG REPORT ON EMPOWERING CITY GOVERNMENTS

NO. 3158 DR. SHASHI THAROOR:

Will the Minister of HOUSING AND URBAN AFFAIRS be pleased to state:

- (a) whether the Government has taken note of NITI Aayog's recent report titled "Moving Towards Effective City Government—A Framework for Million-plus Cities" which recommends structural shifts towards empowered city governments, including a directly elected Mayor as the political and executive head of the city with a fixed tenure and if so, the details thereof;**
- (b) whether the Government proposes to update the Model Municipal Law circulated to States in 2003 to reflect the recommendations of the NITI Aayog's report, if so, the details thereof and if not, the reasons therefor; and**
- (c) the steps being taken by the Union Government to incentivise the State Governments to amend their respective Municipal Corporation Acts to institutionalise a fixed tenure and executive powers for city Mayors?**

**ANSWER
THE MINISTER OF STATE IN THE
MINISTRY OF HOUSING AND URBAN AFFAIRS
(SHRI TOKHAN SAHU)**

(a): The report inter alia recommends that the Mayor should be the head of the city government with overall executive authority. For effective urban governance, executive authority within a Municipal Corporation must be clearly vested in the Mayor, with the Municipal Commissioner functioning under the Mayor's oversight and the designated reporting authority. State governments should amend the State Municipal Acts or other relevant legislation to clearly designate the Mayor as the head of the city government and clearly define the roles and responsibilities of the Mayor and the Municipal Commissioner.

However, as per entry 5 of list II-State list of Seventh Schedule of the Constitution of India, 'Local Government' is a state subject and urban planning is a function of Urban Local Bodies (ULBs) as envisaged in the Twelfth Schedule of the Constitution of India. Accordingly, strengthening of institutional and fiscal capacity of ULBs is primarily the responsibility of the respective State Governments. The Government of India supplements the efforts of the States through various schemes, policy initiatives and advisories.

Article 243 R of the Constitution of India provides for the composition of the Municipalities. Clause 2 of Article 243 R states that the State Legislature may, by law, provide the manner of election of a Chairperson of a Municipality. Accordingly, State governments may amend their Municipal laws in order to provide for the direct election of Mayors along with fixed tenure.

(b): Ministry of Housing and Urban Affairs (MoHUA) had framed the Model Municipal Laws (MML) in the year 2003 which aims to consolidate and serves as guidance to state government to amend the laws relating to the municipal governments in the States/UTs in conformity with the provisions of the Constitution of India as amended by the Constitution (Seventy-fourth Amendment) Act, 1992, based on the principles of participation in, and decentralization, autonomy and accountability of, urban self government at various levels, to introduce reforms in financial management and accounting systems, internal resource generation capacity and organizational design of Municipalities, to ensure professionalization of the municipal personnel, and to provide for matters connected therewith or incidental thereto.

(c): As regards Part IXA of the Constitution, the matters relating to the composition, powers, functions and tenure of Municipalities, including the office, election and powers of the Mayor, fall within the legislative domain of the State Governments.
