

**Tamil Nadu District Municipalities (Second Amendment)
Act, 2004**

24 of 2004

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Statement of Objects and Reasons² The Tamil Nadu District Municipalities Act, 1920 (Tamil Nadu Act V of 1920) has been amended by the Tamil Nadu District Municipalities (Amendment) Ordinance, 2004 (Tamil Nadu Ordinance 7 of 2004) to change the nomenclature "panchayat town" and "town panchayat", wherever they occur, as "transitional area" and "Third Grade Municipality", respectively. Under Section 3-B of the said Act, as so amended, the Government may declare the area of a village panchayat as a transitional area and shall constitute a Third Grade Municipality for such transitional area. 2. Section 4-A of the Tamil Nadu Panchayats Act, 1994 (Tamil Nadu Act 21 of 1994), which is a special provision relating to town panchayat constituted as village panchayat, provides that the Chairman and Members of a town panchayat holding office as such immediately before the date of constitution of such town panchayat as village panchayat shall be deemed to be the elected President and Members of such village panchayat and such President and Members shall continue to hold office upto such date as the Government may, by notification, fix in this behalf or, in case no such date is fixed, upto the date on which their term of office would expire under the Tamil Nadu District Municipalities Act, 1920 (Tamil Nadu Act V of 1920), if they had been elected as Chairman and Members of the town panchayat, and such President and Members shall exercise all powers and perform all duties conferred on the President and Members by or under the provisions

the said Tamil Nadu Act 21 of 1994. The said Section 4-A of the said Act also provides that all the employees of the town panchayat shall be the employees of such village panchayat. 3. The Government decided that provisions similar to Section 4-A of the said Tamil Nadu Act 21 of 1994 may be incorporated in the Tamil Nadu District Municipalities Act, 1920 (Tamil Nadu Act V of 1920) so that whenever an area of a village panchayat is declared as a transitional area and a Third Grade Municipality is constituted for such area under the said Section 3-B of the said Tamil Nadu Act V of 1920, the President and Members of such village panchayat shall be the Chairman and Members of such Third Grade Municipality and the employees of such village panchayat shall be the employees of such Third Grade municipality and also to amend the said Tamil Nadu Act V of 1920, suitably, for the purpose. Accordingly, the Tamil Nadu District Municipalities (Second Amendment) Ordinance, 2004 (Tamil Nadu Ordinance 8 of 2004) was promulgated by the Governor on the 1st July 2004 and the same was published in the Tamil Nadu Government Gazette, Extraordinary, dated the 1st July 2004. 4. The Bill seeks to replace the said Ordinance. Memorandum Regarding Delegated Legislation New section 3-MM, proposed to be added in the Tamil Nadu District Municipalities Act, 1920 (Tamil Nadu Act V of 1920) by the clause 2 of the Bill authorises the State Government to issue notification for the purpose specified therein. 2. The powers delegated are normal and not of an exceptional character. PREAMBLE An Act further to amend the Tamil Nadu District Municipalities Act, 1920. BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fifty-fifth Year of the Republic of India as follows :- 1. Received the assent of the Governor on the 5th August, 2004 - Published in Tamil Nadu Government Gazette, Extraordinary, Part IV, Section 2, Issue No.207, Page 83, dated 5th August, 2004. 2. Vide T.N. Bill No.20 of 2004 - Published in Tamil Nadu Government Gazette, Extraordinary, Part IV, Section 1, Issue No.202, Page 97 dated 31st July 2004.

1. Short Title And Commencement :-

(1) This Act may be called the Tamil Nadu District Municipalities (Second Amendment) Act, 2004.

(2) It shall be deemed to have come into force on the 1st day of July 2004.

2. Insertion Of New Section 3-Mm :-

After section 3-M of the Tamil Nadu District Municipalities Act, 1920 (Tamil Nadu Act V of 1920) (hereinafter referred to as the principal Act), the following section shall be inserted, namely:-

"3-MM. Special provisions relating to village panchayat constituted as Third Grade municipality.-

(1) Notwithstanding anything contained in this Act,-

(a) the president and members of a village panchayat, who are elected or deemed to have been elected and holding office as such immediately before the date of constitution of such village panchayat as Third Grade municipality under this Act, shall be deemed to be the chairman and members of such Third Grade municipality elected under this Act and such chairman and members shall continue to hold office upto such date as the State Government may, by notification, fix in this behalf or, in case no such date is fixed, upto the date on which their term of office would expire under the Tamil Nadu Panchayats Act, 1994 (Tamil Nadu Act 21 of 1994) and such chairman and members shall exercise all powers and perform all duties conferred on the chairman and members by or under this Act.

(b) all the employees, other than the provincialised employees, of the village panchayat, immediately before its constitution as Third Grade municipality, shall be the employees of such Third Grade municipality under this Act. The provincialised employees shall continue to serve under the Third Grade municipality and they shall be transferred by the Director of Rural Development within three months from the date on which such Third Grade municipality is constituted under this Act.

(2) Subject to the provisions of sub-section (1), the provisions of this Act and the rules made thereunder shall apply to the Third Grade municipality referred to in sub-section (1).".

3. Repeal And Saving :-

(1) The Tamil Nadu District Municipalities (Second Amendment) Ordinance, 2004 (Tamil Nadu Ordinance 8 of 2004) is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the principal Act, as amended by this Act.