

## CHAPTER IX

### ENVIRONMENTAL IMPROVEMENT OF SLUMS

<sup>1</sup>[Board for purposes of this Chapter and its duties.] **104.** <sup>2</sup>[(1) Each of the Boards excluding <sup>3</sup>[the Mumbai Housing and Area Development Board,] mentioned in clauses (a) and (b), and <sup>4</sup>[the Mumbai Slum Improvement Board] mentioned in clause (c) of sub-section (1) of section 18, shall be the Board for the purposes of this Chapter within the area of its jurisdiction.]

<sup>2</sup>[(2)] Subject to the superintendence, direction and control of the Authority, it shall be the duty of a Board,—

(a) to undertake and carry out such improvement works as it considers necessary in any slum improvement area ;

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- <sup>1</sup> These words were substituted for the words "The Bombay Repairs and Reconstruction Board" by Mah. 25 of 1996, s. 2 and Sch. para (3).
  - <sup>2</sup> Section 104 was renumbered as sub-section (2) thereof and sub-section (1) was inserted to it by Mah. 11 of 1993, s. 6 (1).
  - <sup>3</sup> These words were substituted for the words "The Bombay Housing and Area Development Board" by Mah. 25 of 1996, s. 2 and Sch. para (3).
  - <sup>4</sup> These words were substituted, *ibid.*
  - <sup>5</sup> This marginal note was substituted for the original, *ibid.*, s. 6 (2).

(b) to undertake, from time to time, the works of maintenance and repairs in respect of any improvement works in any such area ;

(c) to collect, from time to time, service charges recoverable by and due to it in any slum improvement area ;

(d) to collect compensation in respect of Government lands included in any slum improvement area ;

(e) to do all other things, with the prior approval of the Authority, to facilitate exercising of its powers and performance of its duties under this Chapter.

105. In any slum improvement area, the Board may, on such terms and conditions as may be mutually agreed upon, entrust to the Municipal Corporation, the Municipal Council or to any other agency recognised by it for the purpose,—

Power of Board to entrust improvement works.

(a) the execution, under its own supervision, of any improvement works;

(b) the maintenance or repairs of any improvement works under its control ;

(c) the work of collection of service charges recoverable by and due to it.

106. The State Government, the Municipal Corporation, or the Municipal Council may assign or entrust to the Board, any property, whether moveable or immoveable for use by the Board, for such purposes of this Chapter on such terms and conditions as may be agreed upon by the Board. It shall be the duty of the Board to use such property for the purpose for which it is assigned or entrusted.

Use of property assigned or entrusted by Government [Mumbai Corporation.] etc.

107. (1) Any Municipal Corporation or Municipal Council may transfer to the Board on behalf of the Authority any improvement works completed by it in any slum improvement area for the purpose of maintenance, or for any other purpose of this Chapter on such terms and conditions, as may be mutually agreed upon, and it shall be the duty of the Board to carry out the purpose for which such works are transferred.

Transfer of improvement works to Board.

(2) On such transfer of the improvement works, all records relating to such works shall be transferred to the Board.

108. (1) Where a Board upon report of any of its officers or other information in its possession is satisfied that any area is or may be a source of danger to the health, safety or convenience of the public of the area or of its neighbourhood, by reason of such area having inadequate or no basic amenities, or being insanitary, squalid, overcrowded or otherwise, and where the Board decides to carry out any improvement works in such area, it shall cause such area to be defined in a map, and then it shall by an order published in the *Official Gazette*, declare such area to be a slum improvement area and its intention to carry out such improvement works as in its opinion are necessary and are specified in such order. A copy of such declaration shall be displayed in conspicuous places in such area, and shall also be served upon the owner, occupier and mortgagee, if any, of the property or any part thereof.

Declaration of slum improvement area and execution of slum improvement works.

<sup>1</sup> These words were substituted, by Mah. 25 of 1996, s. 2, Sch. para (3).

(2) Any person aggrieved by a declaration made under sub-section (1) may, within thirty days of the date such declaration in the *Official Gazette*, appeal to the Tribunal.

(3) On an appeal, the Tribunal may make an order either confirming, modifying, or rescinding the declaration; and the decision of the Tribunal shall be final.

Improvement  
works.

109. For the purpose of this Chapter, the improvement works may consist of all or any of the following, namely :—

- (a) laying of water-mains, sewers and storm-water drain ;
- (b) provision of urinals, latrines, community baths, and water-taps ;
- (c) widening, re-aligning or paving of existing roads, lanes and pathways and constructing new roads, lanes and pathways ;
- (d) providing street lighting ;
- (e) cutting, filling, levelling and landscaping the area ;
- (f) partial development of the area with a view to providing land for unremunerative purposes, such as parks, playgrounds, welfare and community centres, schools, dispensaries, hospitals, police stations, fire stations and other amenities provided or conducted on a non-profit basis ;
- (g) demolition of obstructive or dilapidated buildings or portion of buildings ;
- (h) any other matter for which in the opinion of the Board, it is expedient to make provision for preventing the area from being or becoming a source of danger to safety or health or a nuisance.

Association  
of members  
of local  
bodies with  
improvement  
works.

110. A Board may associate with it, members of the local bodies, if any, for the purpose of preparation of plans and supervision and execution of any improvement works in their respective areas.

Power of  
Board to  
require the  
occupiers to  
vacate  
premises.

111. (1) Where a Board undertakes the improvement works in slum improvement area and is of the opinion that any of the occupiers thereof should vacate their premises, it shall give them notice to vacate by a date, or dates specified in the notice. It may as far as practicable offer such occupiers alternative sites in any other suitable area to locate these premises. If any occupier fails to vacate and to shift his premises to the alternative site offered to him within the specified period, the responsibility of the Board to provide him alternative site shall cease.

(2) Where any occupier does not vacate his premises, the Board may take or cause to be taken such steps and used or cause to be used such force as may be reasonably necessary for the purpose of getting the premises vacated.

(3) The Board may, after giving fifteen clear days' notice to the persons removed under sub-section (2) and affixing a copy thereof in some conspicuous place in the area, remove or cause to be removed or dispose of by public auction any property remaining on the premises vacated under that sub-section.

(4) where the property is sold under sub-section (3), the sale proceeds shall after deducting the expenses of sale be paid to such person or persons as may be entitled to the same :

Provided that, where the Board is unable to decide as to the person or persons to whom the balance of the amount is payable or as to apportionment of the same, it shall refer such dispute to a civil court of competent jurisdiction, and the decision of the court shall be final.

112. (1) A Board may by a notice affixed or exhibited in a conspicuous place in a slum improvement area direct that no person shall erect any building in a slum improvement area or carry out any additions or alterations thereto except with its previous permission in writing.

Restriction  
on buildings  
in slum  
improvement  
area.

(2) Every person desiring to obtain permission referred to in sub-section (1) shall make an application in writing to the Board furnishing such informations as may be required by it.

(3) On receipt of such application and after making such inquiry as it considers necessary, the Board may by order in writing—

(a) either grant the permission subject to such terms and conditions, if any, as may be specified in the order, or

(b) refuse to grant such permission :

Provided that, before granting the permission subject to terms and conditions or before making an order refusing such permission, the applicant shall be given a reasonable opportunity to show cause why such terms and conditions should not be imposed, or the permission should not be refused.

113. (1) Where the erection or alteration of any building or any addition thereto has commenced, or is being carried out, or has been completed, in contravention of the provisions of section 112, a Board may, notwithstanding the provision contained in any other law, direct by an order that such erection, alteration or addition shall be demolished by the owner or the person who has erected the building or carried out the addition or alteration, within such time as may be specified in that order. On the failure of the owner or such person to comply with the order, the building so erected or the addition or alteration so carried out shall be liable to summary demolition by an order of the Board, and the expenses of such demolition shall be recoverable from the owner or such person as arrears of land revenue :

Orders of  
demolition of  
buildings in  
certain cases.

Provided that, no such order shall be made, unless the owner or person concerned has been given a reasonable opportunity of being heard.

(2) Any property ordered to be demolished under sub-section (1) shall be disposed of as the Board may direct, and the cost of removal of the property under this section shall also be recoverable as arrears of land revenue.

(3) For the purpose of causing any building to be demolished under sub-section (1), the Board may use or cause to be used such force as may be reasonably necessary.

*Recovery of Dues of the Authority*

Recovery of  
service  
charges.

114. (1) Where improvement works have been executed in any slum improvement area, any expenses incurred by a Board on behalf of the Authority or, by any other authority at the instance of the Board, in connection with the maintenance of such improvement works or the enjoyment of amenities and conveniences rendered possible by such works, shall be recoverable by the Board as service charges from the occupiers of the slum improvement area.

(2) The amount of expenses incurred on the maintenance of works amenities shall be determined by the Board in respect of slum improvement area separately and shall be recovered as service charges from the occupier of each building in the area.

Recovery of  
dues.

115. (1) Where any person is in arrears of service charges, as determined by a Board in pursuance of section 114, the Board may, by notice served, (i) by post or (ii) by affixing a copy of it on the outer door or some other conspicuous part, of the premises, or (iii) in any other manner that the Board may deem proper order that person to pay the same within such time not less than fifteen days as, may be specified in the notice.

(2) Where any person causes any damage to the property of the Authority or the improvement works provided by the Authority, the Board shall assess the amount of such damages and shall, after serving notice on the person in the manner provided in sub-section (1), order that person to pay the amount of such damages within such time as may be specified in the notice.

(3) If any person fails to comply with an order made under sub-section (1) or (2), the amount due from him to the Authority shall be recoverable as arrears of land revenue.

Appeal.

116. Any person aggrieved by an order of a Board under sub-section (1) or (2) of section 115 may, within thirty days of the date of the order, prefer appeal to the Tribunal and the decision of the Tribunal on appeal shall be final.

*Slum Improvement Fund*

Separate Slum  
Improvement  
Fund.

117. (1) Where improvement works have been executed in any slum improvement area, the service charges recovered from the occupiers under section 114 shall be credited to the fund of the Authority. There shall, however, be created a separate fund called the Maharashtra Slum Improvement Fund (in this chapter referred to as the 'Fund') and the amount so credited to the Fund of the Authority shall be transferred to the Fund so created.



(2) The amount in the Fund shall be expended for the purposes of this Chapter. The State Government may make rules regulating all matters connected with the Fund, including the manner in which the Fund shall be maintained, operated and expended.

118. (1) The State Government May pay an annual contribution to the Authority of such amount as may be determined by the State Government.

Contribution  
by State  
Government  
and local  
authority to  
Fund.

(2) The State Government may, after consultation with the local authority concerned, direct such local authority to make an annual contribution to the Authority for the purposes of this Chapter.

(3) The moneys placed at the disposal of the Authority under the provisions of this Chapter shall form part of the Fund and shall be applied for the purposes of this Chapter.

Mah. XXIII of 1973. 119. Any action taken by the Maharashtra Slum Improvement Board under the Maharashtra Slum Improvement Board Act, 1973, shall be deemed to be action taken by the board constituted under this Act.

Action taken  
under Mah.  
XXIII of 1973  
deemed to be  
taken under  
this Act.

#### *Establishment of Panchayats in Slum Improvement Areas*

120. The Board may, with the approval of the Authority establish, by notification in the *Official Gazette*, *Panchayat* for any slum improvement area.

Establishment  
of *Panchayat*.

121. Every such *Panchayat* shall have be a body corporate by the name of "The..... (Slum Improvement Area) *Panchayat*," as may be given by the Board, having perpetual succession and common seal, with power to acquire, hold and dispose of property, both moveable and immovable, and to contract, and may by the said name sue or be sued.

Incorporation  
of *Panchayat*

122. (1) Every *Panchayat* shall a *Sarpanch*, a *Upa-Sarpanch* and other members, not being less than 3 and more than 13, as the Board may with the approval of the Authority determine.

Contribution  
of *Panchayat*.

(2) The members of a *Panchayat* including the *Sarpanch* and *Upa-Sarpanch* shall be nominated by the Board from amongst the residents of the slum improvement area. The names of the members so nominated shall be published by the Board in the *Official Gazette*; and on the publication of the names of Members in the *Official Gazette*, the *Panchayat* shall be deemed to be duly constituted.

123. A person shall be disqualified for being nominated or for continuing as a member of the *Panchayat*, if he has become subject to any of the disqualifications specified in section 11.

Disqualifica-  
tions.

Term of office  
of members  
and their  
conditions of  
service.

124. (1) The members of a *Panchayat* shall, save as otherwise provided in this Chapter, hold office for a term of three years.

(2) The Board may by order in writing and for reasons recorded therein extend the said term for a period not exceeding five years in the aggregate.

(3) The remuneration and other conditions of service of the members of the *Panchayat* including *Sarpanch* and *Upa-Sarpanch* shall be such as the State Government may, by order, determine.

(4) The remuneration and allowance to the members of the *Panchayat* shall be paid from the *Panchayat* Fund.

(5) Notwithstanding anything contained in this Chapter, if a member of the State Legislature is appointed as member of the *Panchayat* (including the *Sarpanch* and *Upa-Sarpanch* thereof), he shall not be entitled to receive any remuneration other than traveling allowance, daily allowance or such other allowance which is paid to member of the *Panchayat* for the purpose of meeting the personal expenditure incurred in attending the meeting of *Panchayat* or in performing any other functions as such member.

Commence-  
ment of term  
of office.

125. The term of office of the members of a *Panchayat* shall be deemed to commence from the date of the *Gazette* in which their names are published under section 122.

Resignation of  
office by  
members.

126. Any member of the *Panchayat* may resign his office by writing under his hand addressed to the *Sarpanch*. The *Upa-Sarpanch* may resign his office of *Upa-Sarpanch* or of member also by like writing addressed to the *Sarpanch*. The *Sarpanch* may resign his office of *Sarpanch* or of member also by like writing addressed to the Chairman. The notice of every such resignation shall be delivered in the prescribed manner, and the office concerned shall thereupon become vacant.

Motion  
of no-  
confidence.

127. (1) A motion of no-confidence may be moved by any member of a *Panchayat* against the *Sarpanch* or the *Upa-Sarpanch*, after giving such notice thereof as may be prescribed.

(2) If the motion is carried by a majority of not less than two-third of the total member of the then member of the *Panchayat*, the *Sarpanch* or the *Upa-Sarpanch*, as the case may be, shall cease to hold office, after a period of three days from the date on which the motion was carried, unless he has resigned earlier, and thereupon the office held, by such *Sarpanch* or *Upa-Sarpanch* shall be deemed to be vacant.

(3) Notwithstanding anything contained in this Chapter or the rules and regulations made thereunder, a *Sarpanch* or an *Upa-Sarpanch* shall not preside over a meeting in which a motion of no-confidence is discussed against him ; but he shall have right to speak or otherwise to take part in the proceedings of such a meeting (including the right to vote).

(4) In cases the offices of both the *Sarpanch* and *Upa-Sarpanch* become vacant simulataneously, the Board may appoint an officer, pending the nomination of another *Sarpanch* and *Upa-Sarpanch* to exercise all the powers and perform all the functions and duties of the *Sarpanch*, but such officer shall not have the right to vote in any meeting of the *Panchayat*.

128. The *Panchayat* shall meet at such intervals and follow such procedure for its meetings may be prescribed.

Meeting of  
*Panchayat* and  
procedure to  
be followed.

129. The *Sarpanch* and the *Up-Sarpanch* shall exercise such powers and perform such functions as may be prescribed.

Powers of  
*Sarpanch* and  
*Upa-Sarpanch*.

130. (1) The Board may with the approval of the Authority remove from office any member including the *Sarpanch* or *Upa-Sarpanch* who has been guilty of misconduct or neglect of, or incapacity to perform his duty, or is persistently remiss in the discharge thereof:

Removal from  
office.

Provided that, no such person shall be removed from office, unless the Chairman or any other officer of the Board authorised by him in this behalf holds an enquiry after giving due notice to the *Panchayat* and the person concerned; and the person concerned has been given a reasonable opportunity of being heard and thereafter, the Chairman or the said officer, as the case may be, submits his report to the Board.

(2) Where a person is removed from office of the *Sarpanch*, *Up-Sarpanch* or member, he shall not be eligible for renomination as *Sarpanch*, *Up-Sarpanch* or member, during the remainder of the term of the office of members of the *Panchayat*.

131. If any vacancy occurs due to the disablement, death, resignation, disqualification, absence without leave or removal or otherwise of *Sarpanch* or *Upa-Sarpanch* or other member, it shall be filled by nomination of another *Sarpanch* or *Upa-Sarpanch* or member, who shall hold office so long only as the *Sarpanch*, *Upa-Sarpanch* or member in whose place he has been nominated, would have held office if the vacancy had not occurred.

Filling up of  
vacancies.

132. (1) During any vacancy in the *Panchayat*, the continuing members may act as if no vacancy had occurred.

Vacancy not to  
affect  
proceedings of  
*Panchayat*.

(2) The *Panchayat* shall have power to act notwithstanding any vacancy in the membership or any defect in the constitution thereof; and such proceedings of the *Panchayat* shall be valid notwithstanding that it is discovered subsequently that some person who was not entitled to do so at or voted or otherwise took part in the proceedings.

(3) No act or proceedings of a *Panchayat* shall be deemed to be invalid on account of any defect or irregularity in any such act or proceedings not affecting the merits of the case or on account of any irregularity in the service of notice upon any member or for mere informality.

133. (1) If, in the opinion of the Board *Panchayat* exceeds or abuses its powers or is incompetent to perform, or makes persistant default in the performance of the duties imposed on it or functions entrusted to it, by or under this Chapter or fails to obey an order made by the Board, the Board, may, with the approval of the Authority, after giving the *Panchayat* an opportunity of rendering an explanation, by order in the *Official Gazette*—

Dissolution or  
supersession of  
*Panchayat* for  
default.

(i) dissolve such *Panchayat*, or

(ii) supersede such *Panchayat* for the period specified in the order.



(2) When a *Panchayat* is so dissolved or superseded, the following consequence shall ensue, that is to say,—

(a) all members of the *Panchayat* shall, in the case of dissolution, as from the date specified in the order of dissolution, and in the case of supersession, as from the date of the order of supersession, vacate their office as such member ;

(b) all powers and duties of the *Panchayat* shall, during the period of dissolution or supersession, be exercised and performed by such person or persons as the Board may, from time to time, appoint in that behalf ;

(c) all property vested in the *Panchayat* shall, during the period of dissolution or supersession, vest in the Board.

*Functions of the Panchayat, Finance and Control*

Duties of  
*Panchayat*.

134. Where the Board entrusts all or any of its powers or duties under clauses (b), (c), (d) and (e) of section 104 to a *Panchayat*, the *Panchayat* shall, subject to the superintendence, direction and control of the Board,—

(a) undertake the works of maintenance and repairs in respect of any improvement works executed by the Board and handed over to the *Panchayat* for maintenance ;

(b) collect service charges in connection with the maintenance of improvement works handed over by the Board to the *Panchayat* ;

(c) recover compensation from the occupiers of Government lands falling within the jurisdiction of the *Panchayat* ;

(d) report to the Board forthwith any damage done to the improvement works ; and

(e) do all other things which the Board may from time to time require it to do. The rate of service charges to be recovered under clause (b) of this section shall be determined by the Board, and the rate of compensation to be recovered under clause (c) of this section shall be determined by the State Government.

Certain  
services to be  
provided by  
local authority  
and *Panchayat*  
to be  
responsible for  
collection and  
payment of  
taxes, fees and  
charges.

135. (1) Notwithstanding anything contained in any law governing the local authority concerned, a Municipal Corporation, a Municipal Council or any other local authority having jurisdiction in any slum improvement area, shall provide water supply and drainage and scavenging, cleansing, lighting and other services, in the said area, as it provides in other areas within its jurisdiction, and also such additional services, as the Board may in respect of any slum improvement area specify in this behalf.

(2) Where there is *Panchayat*, the *Panchayat* shall be responsible to the local authority to collect from the occupiers and other persons liable therefor the taxes, fees and charges due for the services so provided, and to arrange to pay the amount due from time to time to the local authority concerned.

Use of  
property  
assigned or  
entrusted by  
Board.

136. (1) The Board may assign or entrust to the *Panchayat* any property, whether moveable or immovable, for use by the *Panchayat* for the purposes of this Chapter on such terms and conditions as may be specified by the Board on behalf of the Authority. It shall be the duty of the *Panchayat* to use such property for the purpose for which it is assigned or entrusted.

(2) With the approval of the Board, a *Panchayat*, may utilise any open space in the slum improvement area for common purposes such as those specified in clause (f) of section 109.

Violation of  
direction  
under section  
112(1).

137. The *Panchayat* shall ensure that no new building is erected within its jurisdiction in contravention of any direction issued by the Board under sub-section (1) of section 112. If any new building is so erected, the *Panchayat* shall immediately make a report to the Board.

138. The *Panchayat* shall assist the Board in carrying out demolition of any building under section 113.

Assistance to  
Board for  
carrying out  
demolition.

139. (1) For the purposes of this Chapter, the *Sarpanch* shall be competent to make and execute on behalf of the *Panchayat*, any contract with any person :

Contracts.

Provided that, no contract shall be made unless specifically authorised by the *Panchayat* by passing resolution to that effect, and no contract involving an expenditure exceeding Rs. 1,000 shall be made without the previous sanction of the Chairman.

(2) Every contract shall be entered into in such manner and form as may be prescribed.

140. (1) When any compensation, service charges, tax, fee or other sum has become due, which a *Panchayat* is authorised to collect under this Chapter, the *Panchayat* shall, with the least practicable delay, cause to be presented to the person liable for the payment thereof a bill for the amount due from him, specifying the details of the claims and the date on or before which the amount shall be paid.

Recovery of  
compensation,  
service  
charges, etc.

(2) If any person fails to pay the amount due on or before the specified date, the *Panchayat* shall cause a writ of demand in the prescribed form to be served on the defaulter.

(3) The presentation of every bill under sub-section (1) and the service of every writ of demand under sub-section (2) shall be effected by an officer or servant of a *Panchayat* in this behalf—

(a) by giving or tendering the bill or writ to the person to whom it is addressed ; or

(b) if such person is not found, by leaving the bill or writ at his last known place of abode, if within the limits of the *Panchayat* by giving or tendering the bill or writ to some adult male member or servant of his family ; or

(c) if such person does not reside within the limits of the *Panchayat*, and his address elsewhere is known to the *Sarpanch* or other person directing the issue of the bill or writ, then by forwarding the bill or write to such person by registered post, under cover bearing the said address ; or

(d) if none of the means aforesaid be available, then by causing the bill or writ to be affixed on some conspicuous part of the building or land, if any, to which the bill or writ relates in the presence of at least two *Panchas*.

(4) If the amount for which a writ of demand has been served is not paid within thirty days from the date of such service, the *Panchayat* may recover such sum by distraint and sale of the moveable property of the defaulter in the prescribed manner.

(5) If a *Panchayat* is unable to recover the amount due as aforesaid, it may furnish to the Board a statement of the arrears due with a request for the recovery of the same, and the Board shall proceed against the person to recover the same as if they are arrears of land revenue.

(6) For any amount recovered by the *Panchayat* under this section, a written receipt shall be given to the person concerned in such form and in such manner as may be prescribed.

141. (1) For every *Panchayat* there shall be a fund, which shall be called the *Panchayat fund*.

Panchayat  
Fund.

(2) The following shall be paid or deposited into the *Panchayat* fund, namely :-

- (a) the proceeds of service charges collected under clause (b) of section 134 ;
- (b) the proceeds of compensation collected under clause (c) of section 134 ;
- (c) the proceeds of any taxes, fees or charges due to a local authority collected under section 135 ;
- (d) all sums received from the Board on behalf of the Authority ;
- (e) all sums received by the *Panchayat* from other sources by way of grant, gift and contribution or otherwise.

Application of *Panchayat* Fund. 142. All sums received by a *Panchayat* in accordance with the provisions of this Chapter shall be applied subject to the provisions and for the purpose of this Chapter and all such sums and the *Panchayat* fund shall be kept in such custody as may be prescribed.

Appointment of servants. 143. (1) A *Panchayat* may, with the approval of the Board, appoint such servant as may be necessary for the proper discharge of its duties under this Chapter and pay their salaries and allowances from the *Panchayat* fund. The *Panchayat* may, from time to time by written order, fine, suspend, remove or dismiss any servant appointed by it :

Provided that, no such order shall be passed by the *Panchayat* unless the servant is given a reasonable opportunity of being heard.

(2) An appeal shall lie against any such order passed by the *Panchayat* to the Chairman or any officer of the Board authorised by him in this behalf, within one month from the date of communication of the order to the servant, and the decision of the Chairman or the said officer, as the case may be, shall be final :

Provided that, no such appeal shall be decided unless the servant is given at reasonable opportunity of being heard.

Budget and accounts. 144. (1) A *Panchayat* shall submit annually to the Board on or before such date and in such form as may be prescribed a statement of—

- (a) the opening balance in the *Panchayat* fund and the estimated receipts by the *Panchayat* for the following year ;
- (b) the expenditure proposed on establishment and discharge of its duties.

(2) The Board shall within two months from the date of receipt of such statement either approve the same or direct that the proposed expenditure on any of the duties be increased or decreased :

Provided that, if the Board fails either to approve such statement or to direct that the expenditure on any of the duties be increased or decreased, within two months from the date of receipt of such statement, the statement shall be deemed to have been duly approved by the Board.

(3) The *Sarpanch* shall keep or cause to be kept the accounts of the *Panchayat* in such form as may be prescribed. He shall prepare an annual report of the administration of the *Panchayat* and shall place the accounts and the report for approval before the *Panchayat*. The annual statement of such accounts together with the annual report as approved shall be sent to the Board on or before such date and in such form as may be prescribed.

145. The Board shall have power—

- (a) to call for any proceedings of a *Panchayat* or an extract there from, any book or document in the possession or under the control of a *Panchayat*, and any return, statement, account or report which the Board thinks fit to require such *Panchayat* to furnish ; and

Power to call  
for proceed-  
ings, etc.



(b) to require a *Panchayat* take into consideration—

(i) any objection which appears to the Board to exist to the doing of anything which is about to be done, or is being done, by such *Panchayat* ; or

(ii) any information which the Board is able to furnish and which appears to the Board to necessitate the doing of a certain thing by the *Panchayat*, and to submit a written reply to the Board within a reasonable time stating its reasons for not desisting from doing or for not doing such things.

146. The Chairman or any other officer authorised by him in writing in this behalf may at all reasonable times enter the office of any *Panchayat* and inspect any records, register or other document kept therein ; and the *Panchayat* shall comply with the inspection notes, if any, made by the Chairman or, as the case may be, such officer.

Power of  
Chairman or  
any officer to  
inspect office  
of *Panchayat*.

147. If for the purpose of efficient and economical maintenance of any works undertaken by a *Panchayat*, an officer or person authorised by general or special order of the Board considers it necessary for that purpose to give technical guidance or assistance to the *Panchayat*, then the officer or person so authorised may periodically inspect such works and may give such guidance, assistance or advice as he thinks necessary in relation to such works ; and shall forward to the *Sarpanch* through the Chairman, a report on the inspection made, pointing out therein any irregularities noticed, and his suggestions for improvement.

Power of  
authorised  
officer or  
person to  
inspect and  
give technical  
guidance.

148. (1) The audit of the accounts of a *Panchayat* shall be carried out by the State Government in such manner as it deems fit and copy of the audit note shall be forwarded to the Board and the *Panchayat*, within two months of the completion of the audit.

Audit of  
accounts of  
*Panchayat*.

(2) On receipt of the audit note referred to in sub-section (1), the *Panchayat*, shall either remedy any defects or irregularities, which may have been pointed out in the audit note and send to the Board within two months an intimation of its or having done so shall, within the said period, supply to the Board any further explanation in regard to such defects or irregularities as it may wish to give.

(3) On receipt of such intimation or explanation, the Board may, in respect of all or any of the matters discussed in the audit note,—

(a) accept the intimation or explanation given by the *Panchayat* and recommend to the Authority to drop the objection ;

(b) suggest that the matter be reinvestigated at the next audit or at any earlier date ; or

(c) hold that the defects or irregularities pointed out in the audit note or any of them, have not been removed or remedied.

(4) The Board shall send a report of its decision to the Authority with in one month of the date of receipt by it of the intimation or explanation referred to in sub-section (2), or in the event of the *Panchayat* failing to give such intimation or explanation on the expiry of the period of two months referred to in the said sub-section (2), and shall forward a copy of such report to the auditor, and the *Panchayat*. If the Board holds that any defects or irregularities have not been removed or remedied, the Board shall state in the report whether in its opinion the defects or irregularities can be regularised, and if so, by what method, and if they do not admit of being regularised, whether they can be condoned, and if so, by what authority. The Board shall also state whether the amounts to which the defects or irregularities relate should in its opinion be surcharged or charged as hereinafter provided.

(5) The Authority may, after considering the report of the Board and after making such further enquiry as it considers necessary, disallow any time which appears to it to be contrary to law and surcharge the same on the person making



or authorising the making of the illegal payment, and may charge against any person responsible therefor the amount of any deficiency or loss caused by the gross negligence or misconduct of that person, or, any sum received, which ought to have been, but is not, brought into accounts, by the person, and—

(a) if the person on whom the surcharge or charge is made be a member, direct the Board to proceed against him in the manner provided in sub-sections (2) and (3) of section 151 ; and

(b) if the person on whom the surcharge or charge is made is not a member, then after taking his explanation direct by order in writing that such person shall pay to the *Panchayat* the amount surcharged or charged, and if the amount is not so paid within one month, the State Government may recover as arrears of land revenue and credit it to the *Panchayat* fund.

(6) Any person aggrieved by an order of surcharge or charge made under this section may, within one month from the receipt by him of the decision of the State Government, apply in Greater Bombay to the City Civil Court, and elsewhere, to the District Court to modify or set aside such order ; and the Court after taking such evidence as it thinks necessary, may confirm, modify or remit such surcharge or charge and make such order as to costs as it thinks proper in the circumstances. The order made by the Court shall be final.

Execution of  
works in case  
of emergency.

149. (1) In cases of emergency, the Board may provide for the execution of any work or the doing of any act which a *Panchayat* is empowered to execute or do, and the immediate execution or doing whereof is, in its opinion, necessary for the health or safety of the public, and may direct that the expense of executing the work or doing the act shall be forthwith paid by the *Panchayat* :

Provided that, the Board may direct the *Panchayat* to pay the amount of actual expenses or an amount not exceeding 10 per cent. of the annual income of the *Panchayat* for the year immediately preceding, whichever is less.

(2) If the expenses are not so paid, the Board may, by order, direct the person in whose custody the *Panchayat* fund is kept to pay such expense or so much thereof as is possible, from the balance of such fund in his hands, and such person shall comply with such directions. Any payment made pursuant to such order shall be a sufficient discharge to such person from all liability to the *Panchayat* in respect of the sum so paid.

*Panchayat* to  
conform to  
instructions  
given by  
Board.

150. A *Panchayat* shall conform to any instructions that may, from time to time, be given by the Authority or Board, in the execution by the *Panchayat* of its duties and functions under this Chapter.

Liability of  
members for  
loss, waste or  
misapplica-  
tion.

151. (1) Every member of a *Panchayat* shall be personally liable for the loss, waste or misapplication of any money or other property of the *Panchayat* to which he has been party or which has been caused or facilitated by his misconduct, gross neglect of his duty as a member.

(2) If after giving the member concerned a reasonable opportunity for showing cause to the contrary, the Board is satisfied that the loss, waste or misapplication of any money or other property of the *Panchayat* is direct consequence of misconduct or gross neglect on his part, the Board shall by order in writing direct such member to pay to the *Panchayat* before fixed date, the amount required to reimburse it for such loss, waste or misapplication.

(3) If the amount is not so paid, it shall be recoverable as arrears of land revenue on a certificate of an officer appointed by the State Government in this behalf and when recovered, the Board shall credit it to the *Panchayat* fund.

(4) Any person aggrieved by the decision of the Board under this section may apply to the Court as provided in sub-section (6) of section 148, within the like time for redress of his grievance and that Court may pass any order thereon which it can pass under that section.

152. It shall be lawful for any person authorised by a *Panchayat* in this behalf to enter into or upon any building or land in a slum improvement area for the purposes of exercising any powers conferred or duties imposed on the *Panchayat*, and to execute necessary works authorised by or under this Chapter.

Entry for  
purposes of  
this Chapter.

*Other powers of the Authority under this Chapter*

153. The Authority may, by general or special order, authorise any person,—

Powers of  
Inspection.

(a) to inspect any drain, latrine, urinal, cesspool, pipe, sewer or channel in or on any building or land in a slum improvement area and in his discretion, to cause the ground to be opened for the purpose of preventing or removing any nuisance arising from the drain, latrine, urinal, cesspool, pipe, sewer or channel, as the case may be ;

(b) to examine works under construction in a slum improvement area, to take levels or to remove, test, examine, replace or read any metre.

After such inspection and taking necessary action for preventing or removing the nuisance, if any, the ground and other works which are opened shall be filled in, reinstated or made good, as the case may be.

154. (1) Any person authorised by a Board in this behalf may, with or without assistants or workmen, enter on any land within one hundred metres of any work authorised by or under this Chapter for the purpose of depositing thereon any soil, gravel, stone or other materials, or for obtaining access to such work or for any other purposes connected with the carrying on of the same.

Power to  
enter land  
adjoining land  
where work is  
in progress.

(2) The person so authorised shall, before entering on any land under sub-section (1) state the purpose thereof, and shall, if so required by the occupier or owner, fence off so much of the land as may be required for such purpose.

(3) The person so authorised shall, in exercising any power conferred by this section, do as little damage as may be and compensation shall be payable by the Board on behalf of the Authority to the owner or occupier of such land or to both for any such damage, whether permanent or temporary.

155. It shall be lawful for any person authorised in writing by a Board in this behalf to make an entry into any place, to open or cause to be opened gate or any door, other barrier—

Power to  
enter any  
place.

(a) if he considers the opening thereof necessary for the purpose of such entry ; and

(b) if the owner or occupier is absent, or being present, refuses to open such door, gate or barrier.

156. Save as provided in this Chapter, no building or land shall be entered without the consent of the occupier or, if there be no occupier, of the owner thereof, and no such entry shall be made without giving such occupier or owner, as the case may be, not less than twenty-four hours, written notice of the intention to make such an entry :

Occupier's or  
owner's  
consent  
ordinarily to  
be obtained.

Provided that, no such notice shall be necessary, if the place to be inspected is a shed for cattle or a latrine, urinal or a work under construction.

Power to remove offensive or dangerous trades from slum improvement areas. 157. A Board may, by order in writing, direct any person carrying on any dangerous or offensive trade in a slum improvement area to remove the trade from that area within such time as may be specified in the order :

Provided that, no order under this section shall be made unless the person carrying on such trade has been given a reasonable opportunity of showing cause as to why the order should not be made.

Penalties. 158. (1) Whoever fails to comply with any notice, order or direction issued or given under this Chapter shall, on conviction, be punished with imprisonment for a term which may extend to three months, or with fine which may extend to one thousand rupees, or with both.

(2) Whoever commences or causes to be commenced any work in contravention of section 112, or of any terms or conditions imposed under sub-section (3) of that section, shall, on conviction, be punished with imprisonment for a term which may extend to six months, and with fine which may extend to one thousand rupees.

(3) Whoever obstructs the entry of any person authorised by or under this Chapter to enter into or upon any building or land or molests such person after such entry or incites or instigates or abets such obstruction or molestation shall, on conviction, be punished with imprisonment for a term which may extend to three months, and with fine which may extend to one thousand rupees.

(4) If a person committing an offence under this Chapter is a company, every person who at the time the offence is committed was in charge of, and was responsible to the company for the conduct of the business of the company as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly :

Provided that, nothing contained in this sub-section shall render any such person liable to any punishment provided in this Chapter, if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(5) Notwithstanding anything contained in sub-section (4) where an offence under this Chapter has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

*Explanation.*—For the purposes of this section—

(a) "company" means a body corporate and includes a firm or other association of individuals ; and

(b) "director" in relation to a firm means a partner in the firm.

Cesser of corresponding law. 159. Where any area is declared to be a slum improvement area, then as from the date of such declaration, the provisions of any law corresponding to the provisions of this Act, in relation to the slum improvement area shall, save as otherwise provided in this Chapter, cease to be in force in the slum improvement area.

The provisions of this Chapter shall not be taken to effect any property rights in any of the areas to which this Chapter applies ; nor shall the provisions by or under this Chapter of any amenities be deemed to legalise what is otherwise illegal by or under any other law for the time being in force.