

AS INTRODUCED IN LOK SABHA

**Bill No. 306 of 2019**

THE FINANCIAL ASSISTANCE TO STATE GOVERNMENTS FOR  
DEVELOPMENT OF SLUMS AND JHUGGI-JHOPRI  
AREAS BILL, 2019

By

DR. T. SUMATHY (a) THAMIZHACHI THANGAPANDIAN, M.P.

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BILL

*to provide for financial assistance to the State Governments for providing basic amenities and clearance of Jhuggi-Jhopri areas and slum areas and for matters connected therewith.*

BE it enacted by Parliament in the Seventieth year of the Republic of India as follows:—

1. (1) This Act may be called The Financial Assistance to State Governments for Development of Slums and Jhuggi-Jhopri Areas Act, 2019.

(2) It extends to the whole of India.

Short title,  
extent and  
commencement.

(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Definitions.

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

(a) "building" includes any structure or erection or any part of a building but does not include a plant or machinery comprised in a building; 5

(b) "competent authority" means such officer or authority as the Central Government may, by notification in the Official Gazette, appoint as the competent authority for the purpose of this Act;

(c) "jhuggi-jhopri" means a small roughly built house or shelter usually made of mud, wood or metal having thatched or tin sheet roof covering; 10

(d) "prescribed" means prescribed by rules made under this Act;

(e) "slum" means an area consisting of jhuggi-jhopri areas, badly built and overcrowded houses and buildings; and

(f) "slum clearance" means the clearance of any slum area by demolition and removal of buildings therefrom. 15

Financial Assistance to the State Governments.

**3. The Central Government shall provide financial assistance to every State Government for implementation of the provisions of this Act.**

Preparation of list of slums.

**4. (1)** Every State Government shall prepare a list of slums and jhuggi-jhopri in every district of the State and forward the same to the Central Government.

(2) The Central Government shall on receipt of list under section 4 and after such enquiry as it may deem fit, release the fund to the State Government. 20

Declaration of slum area.

**5.** The State Government may, from time to time, by notification in the Official Gazette, declare any area to be a slum area within the meaning of this Act.

Works of improvement, etc. in slum areas.

**6. For the purpose of effective implementation of this Act, the State Government shall, through the competent authority,—** 25

(i) carry out the work of improvement in slums and jhuggi-jhopri areas from time to time in such manner as may be prescribed;

(ii) provide all basic amenities in slums and jhuggi-jhopri areas;

(iii) extend financial assistance or vocational training to the inhabitants of slums and jhuggi-jhopri areas for their self-employment; and 30

(iv) construct and allot dwelling units to the inhabitants of slums and jhuggi-jhopri areas where such areas have been declared as slum clearance areas.

Competent authority to declare a slum area to be a clearance area.

**7. (1)** Where the competent authority is satisfied that most satisfactory method of dealing with conditions in a slum area is the demolition of all the buildings in the area, the authority shall by an order notified in the Official Gazette declare the area to be a slum clearance area, that is to say, an area to be cleared of all buildings in accordance with provisions of this Act and the rules made thereunder. 35

(2) The competent authority shall give adequate notice to the inhabitants of slums and jhuggi-jhopri areas before demolition of house, shelters or buildings.

(3) The competent authority shall not remove or demolish any jhuggi-jhopri areas till all residents of the area have been evacuated and allotted alternative dwelling units with all basic amenities at convenient locations. 40

Ban on setting up of Jhuggi-Jhopri areas.

**8.** On and from the date of commencement of the Act, no person shall be allowed to set up any jhuggi-jhopri in any area.

9. (1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act. Power to make rules.

(2) Every rule made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both the Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

#### STATEMENT OF OBJECTS AND REASONS

Under inhuman conditions. There are no basic facilities of potable water, electricity, sanitation and health services in these areas. However, people have no other option but to live in such slums and jhuggi-jhopri areas under inhuman conditions. The problem is more appalling in metropolitan cities and other big cities where people migrate in large numbers in search of employment. Poverty forces them to find shelter in slums and jhuggi-jhopri areas. However, there is no policy to deal with the problems of slums and jhuggi-jhopri areas.

Being a welfare state, it is the duty of the Government to provide alternate houses with basic facilities to persons who are living in slum areas. The Government should also see that slum areas do not come up and those which are already there should be cleared. However, the State Government do not have enough funds to take corrective action. Therefore, it is the duty of the Central Government to provide full financial assistance to the State Government for aforesaid purpose.

Hence this Bill.

NEW DELHI; T. SUMATHY (a) THAMIZHACHI THANGAPANDIAN  
*November 4, 2019.*

## FINANCIAL MEMORANDUM

Clause 3 of the Bill provides that the Central Government shall provide financial assistance to the State Government for carrying out the purpose of the Bill. Clause 6 provide for basic facilities to those who are living in slum areas. The Bill, therefore, if enacted, will involve expenditure from the Consolidated Fund of India. It is estimated that an annual recurring expenditure of rupees one thousand five hundred crore will be involved from the Consolidated Fund of India.

A non-recurring expenditure of about rupees five hundred crore is also likely be involved.

#### MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 9 of the Bill empowers the Central Government to make rules for carrying out the purposes of this Bill. As the rules will relate to matter of detail only, the delegation of legislative power is of a normal character.

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