
**GUJARAT DISTRICT GRAM ENCOURAGEMENT FUND
(Investment and Sanction of Incentive Grants) RULES,
1964**

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**GUJARAT DISTRICT GRAM ENCOURAGEMENT FUND
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No. KP/139/PRR/42/64-JH -In exercise of the powers conferred by section 323 of the Gujarat Panchayats Act, 1961 (Guj.VI of 1962), the Government of Gujarat hereby makes the following rules, namely.-

1. Short title :-

These rules may be called the Gujarat District Gram Encouragement Fund (Investment and Sanction of Incentive Grants) Rules, 1964.

2. Definitions :-

In these rules, unless the context otherwise requires-

- (a) "the act" means the Gujarat Panchayats Act, 1961;
- (b) "the financial year" means the year commencing on the 1st day of April;
- (c) "fund" means the District Gram Encouragement Fund established under section 198;
- (d) "Panchayat" means the gram panchayat;
- (e) "section" means a section of the Act.

3. Investments of the fund :-

(1) All sums of the credit of the fund shall be deposited by the district panchayat in the Government Treasury to the credit of the personal Ledger Account of the District Development officer and the grants sanctioned from this fund to the Panchayat shall be transferred by the district panchayats to the funds of such panchayats.

(2) Notwithstanding anything contained in sub-rule (1), the district panchayats may deposit a part of the fund:-

(a) with a District Co-operative Bank; or

(b) with a Post Office Saving Bank. subject to the condition that the fund deposited in a District Co-operative Bank shall not exceed one third of the amount in the fund and that whenever the State Government so directs the amount so deposited in a District Co-operative Bank or such portion thereof shall be withdrawn from such bank and shall be deposited in the Government Treasury under sub-rule (1).

4. Criteria for sanctioning incentive grants from fund :-

@ .-The incentive grants from this fund shall be sanctioned by the district panchayat to the panchayats which raise their income either by new taxation or fees or by raising the rates of the existing taxation or fees which in case of panchayats situated in the economically backward areas, shall be atleast by five per cent and in the case of other panchayats atleast by ten per cent of the taxes and fees levied and income raised by such panchayats in the year immediately preceding:

Provided that the fact whether a panchayat is situated in an economically backward area or not shall be determined by the district panchayat which receives the application under rule 5:

Provided further that in the case of any panchayat, if the increase in its income by way of new taxation or fees or enhancement in the rates of

Provided also that so much of the income that is raised by a panchayat by levying the taxes which it is compulsory for the panchayat to levy under sub-section (1-A) of section 178 or by increasing the rates of such compulsory taxes where such taxes have already been levied by the panchayat shall not be taken into account by the District Panchayat for the purpose of sanctioning to such panchayat the incentive grants from the Fund.

*. Substituted vide GNPH and UDD No.KP/40/PRR/42(4)/83-JH, dated 2-3-83.

5. Applications for incentive grants from the funds :-

1.

(1) A Panchayat desiring to obtain an incentive grant from the fund shall, apply in writing to the district panchayat for the purpose. The application shall contain the following particulars, namely.-

- (i) the kinds of taxes levied by the panchayat in the previous year;
- (ii) the total demand of such taxes during that year;
- (iii) total collection of taxes during that year;
- (iv) arrears of payments on account of such taxes at the end of that year;
- (v) additional taxes levied during that year as compared to the taxes levied during the year immediately preceding and the actual income realised on account of such additional taxation;
- (vi) rates of taxes enhanced during that year as compared to the taxes levied during the year immediately preceding and the actual amounts collected on account of such enhancement.

2 (2) deleted.

1. Inserted vide GNP and HD., No.RP/444/PRR.42(1)/65-JH, dated 13th September, 1965.

2. Deleted vide GNP and UDD No.KP/170/PRR.42(8)/79-JH dated 4th October, 1979.

6. Sanction of the Incentive grant by the district panchayat :-

On receipt of the application under rule 5 and the scrutiny thereof the district panchayat shall, subject to the provisions of rule 4 sanction the grant to the panchayat by a resolution passed in this behalf A copy of such resolution shall also be sent to the taluka panchayat.