

GUJARAT GRAM AND NAGAR PANCHAYAT (Custody and Investment of Gram and Nagar Funds) RULES, 1963

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GUJARAT GRAM AND NAGAR PANCHAYAT (Custody and Investment of Gram and Nagar Funds) RULES, 1963

No. PRR 19/63-H.-In exercise of the powers conferred by section 323 of the Gujarat Panchayats Act, 1961, (Gxj. VI of 1902), (hereinafter referred to as "the Act") and of all other powers enabling it in this behalf, the Government of Gujarat hereby makes the following rules, namely:-

1. Short title :-

These rules may be called the Gujarat Gram and Nagar Panchayats (Custody and Investment of Gram and Nagar Funds) Rules, 1963.

2. Custody of Gram and Nagar Panchayats Funds :-

(1) The Gram Panchayat or the Nagar Panchayat, as the case may be, may allow its Secretary to keep a permanent advance not exceeding rupees one hundred in the case of a Gram Panchayat ¹ [and rupees three hundred in the case of a Nagar Panchayat for meeting the current expenditure.

(2) Subject to the provisions of sub-rule (1), a Gram Panchayat or Nagar Panchayat as the case may be, may-

(i) deposit all funds paid by the State Government as grants for specific purposes in-

(a) a Government Treasury; or

(b) a Bank to which Government Treasury work is entrusted, and

shall draw them as when required for the relevant purposes;

(ii) deposit all funds obtained by loans in the manner specified in sub-clause (a) or (b) of clause (i) and shall draw and disburse them in suitable instalments according to need.

(iii) deposit immediately all funds realised by way of taxes or moneys collected on behalf of Government or on behalf of the Taluka or District Panchayat in- (a) a Government Treasury or Sub-Treasury, or (b) a Bank to which Government Treasury work is entrusted, or (c) a Bank as approved for deposit of funds of Taluka Panchayats or District Panchayat as the case may be according to the directions of the Panchayat;

(iv) subject to clause (i), (ii) and (iii) deposit its funds in-

(a) a co-operative Bank, approved by Government for deposit of local funds within the limits specified for such Bank, or

(b) any Scheduled Bank approved by Government, or

(c) a Post-Office Savings Bank;

Deleted.

(v) Invest such funds and sums in public securities in its own names.

Explanation.-For the purpose of this rules-

(1) "Scheduled Bank" means a Bank included in the Second Schedule to the Reserve Bank of India Act, 1934;

(2) "public securities" means-

(a) securities of the Central Government or any State Government.

(b) securities, stocks, debentures or shares, the interest where upon has been guaranteed by the Central or the State Government;

(c) debentures or other securities for money issued by or on behalf of any local authority in the State of Gujarat in exercise of the powers conferred by any enactments for time being in force; or

(d) securities expressly authorised by any order which the State Government may make in this behalf.

1. Substituted vide GNP and UDD No KP/97-PRR.19 (4) 77-JH,

dated 18th June, 1977.

3. Permanent Advance account to be checked every month :-

At the end month, the Sarpanch or in this absence the Up-Sarpanch of the Gram Panchayat and the Chairman or in his absence the Vice-Chairman of the Nagar Panchayat shall check the permanent advance account maintained by the Secretary and verify the balance.

4. Surplus funds to be deposited immediately :-

Subject to the provisions of sub-rule (1) of rule 2, all funds and sums received by a Gram Panchayat or Nagar Panchayat or shall, unless deposited or invested under sub-rule (2) of rule 2. if the amount in hand excluding the permanent advance on any day exceeds rupees three hundred in the case of a Gram Panchayat and rupees five hundred in the case of a Nagar Panchayat, be immediately deposited on the same day in the Taluka Sub-Treasury or Distric Treasury or in a Bank specified in the said rule 2: Provided that if in any case it is not possible to deposit all the funds on the same day, they shall be kept under double lock with the Sarpanch or the Chairman or Vice-Chairman as the case may be of the Gram Panchayat or Nagar Panchayat and the other key with the Secretary and shall be deposited on the next working day, and in each of such cases the reasons for not depositing them on the same day shall be recorded.

5. Provisions regarding securities to be furnished by persons having custody of cash etc :-

(1) The Secretary or any other servant of a Gram Panchayat or a Nagar Panchayat who is entrusted with the custody of cash, funds stores, or valuables and is authorised to receive and handle cash on behalf of the Gram Panchayat or a Nagar Panchayat shall be required to furnish security. The amount of security to be furnished by the Secretary or other servant shall be determined by the Gram Panchayat or Nagar Panchayat as the case may be according to the circumstances of each case. The Secretary or other servant required to furnish security may at his option deposit cash in lumpsum or by monthly deductions from pay bills or deposit Government securities or execute a security bond for the required amount. If a bond is executed the number of sureties shall not be less than two when the amount of security exceeds Rs. 500.

(2) Where the security is furnished by a servant other than the Secretary of the Gram or nagar panchayat, the Secretary shall carefully scrutinise the same and satisfy himself as to the sufficiency when they are first offered and thereafter verify the validity or otherwise of such securities atleast once in a year. If he considers any of the said securities to be insufficient, he shall require the servant concerned to furnish the additional or fresh security. He shall take care to see that the same person is not accepted a surety on behalf of disproportionately large number of servants.

(3) The Secretary or other servant shall not ordinarily hold a large amount on his custody than that for which he has furnished security.

(4) The Secretary shall maintain a register of securities furnished by each servant and at the beginning of every financial year, he shall make enquiries about the existence and solvency of the sureties and records a certificate against each entry that sureties are solvent and alive.

(5) Where the security is furnished by the Secretary the duties and functions of the Secretary specified in sub-rules (2) and (4) shall be performed by the Taluk Development Officer within his jurisdiction.

6. . :-

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