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# GUJARAT PANCHAYATS (District Equalisation Fund) (Investment and special grants) RULES, 1964

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# GUJARAT PANCHAYATS (District Equalisation Fund) (Investment and special grants) RULES, 1964

No. KP-231/PRR-50/64-JH -In exercise of the powers conferred by section 323 of the Gujarat Panchayats Act, 1961 (Guj VI of 1962) read with sub-sections (2), and (3) of section 197 of the said Act, the Government of Gujarat hereby makes the following rules, namely:-

#### 1. Short title :-

These rules may be called the Gajarat Panchayats (District Equalisation Fund) (Investment and Special Grants) Rules, 1964.

#### 2. Definitions :-

In these rules unless the context otherwise requires:-

- (a) "the act" means the Gujarat PanchayatsAct, 1961;
- (b) "backward panchayal" means a panchayat entered in the list maintained under rule 4;
- (c) "financial year" means the year commencing on the 1st Day of April;
- (d) "fund" means the District Equalisation Fund established under sub-section (1) of section 197 of the Act;
- (e) "Panchayat" means o gram panchayat, nagar panchayat or a taluka panchayat, as the case may be;

(f) "section" means a section of the Act.

### 3. Investment of the Fund :-

- (1) All sums to 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 panchayat to the funds of such panchayats.
- (2) Notwithstanding anything contained in sub-rule (1), the district panchayat may deposit a part of the fund,-
- (a) with a District Co-operative Bank; or
- (b) with a Posts Office Savings 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State Government so directs, the amount so deposited in a District Co-operative Bank or such portion thereof shall be withdrawn from such bank and shall be deposited in the Government Treasury under sub-rule (1).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. List of backward Panchayat :-

Every district panchayat shall maintain a list of panchayats Subordinate to it which in its opinion are socially and economically backward.

## 5. Panchayat to apply for grant :-

- (1) Where in any year any backward panchayat is in need of a special grant from the Fund, it shall make an application in that behalf to the district panchayat:-
- (2) Such application shall state:-
- (a) details of the purpose for which special grant is needed, and
- (b) the financial position of the panchayat at the end of the last financial year.
- (3) Such application shall be so made as to reach the district panchayat before the 30th June of the year.
- $^{1}$ [Provided that where such application is for meeting an expenditure for financing any work or  $^{2}$  [Scheme for drinking water

supply undertaken by a Panchayat or where such application is for meeting expenditure for financing any scheme for construction of houses on plots of land allotted to the landless labourers under any programme of the Government.] the district Panchayat shall not refuse the consideration of such application even if such application is received by the district panchayat after the expiry of the date specified in sub-rule (2).

- 1. Proviso added vide GNP and HD No.KP/327/PRR-50(1) 75.JH, dt. 21th December, 1975.
- 2. Subs. vide G.G. Gaz. Ext., Pt. I-A, dt, 13-7-1977 p. 143,

## 6. Making of special grants :-

(1) On receipt of an application under rule 5, the District Panchayat after scrutinising the application and satisfying itself as to the utility of the purpose for which the special grant is asked for and the existing financial position of the panchayat may by resolution sanction such amount by way of special grant to the panchayat as it may think proper but not exceeding:-

- $\mathbf{1}[\mathbf{2}]$  (a) Rs- 12,000 in the case of a gram panchayat,]
- (b) Rs. 15,000 in the case of a nagar panchayat,
- (c) Rs. 25,000 in the case of a taluka panchayat]

Provided that if in any case in the opinion of the district panchayat, it is necessary to sanction an amount in excess of the aforesaid limits, the district panchayat may with the previous approval of the Development Commissioner sanction such amount.

- (2) The amount sanctioned to a panchayat under sub-rule (1) shall be utilised by the panchayat within such period as the District Panchayat may specify.
- (3) At the end of the period specified under sub-rule (2), the panchayat shall submit to the district panchayat a report staling the amount sanctioned and the manner in which and the purpose for which the amount has been utilised.
- 1. Cl. (a) again subs. vide G.O. Gaz. Pt. I-A, dt. 17-3-1983 p. 54, 2. Substituted vide GN PH and UDD No.KP/24/PRR/50(3) 79-JH, dated 25th January 1979.

## 7. Utilisation of special grant :-

(1) Where any special grant is made to any panchayat under

section 197 for a specific purpose it shall not be utilised for a purpose other than the one for which the grant has been made.

(2) In case the panchayat fails to utilise the grant partly or full within the period specified by the district panchayat the district panchayat may at its descretion either adjust the same against any future sanction of such grants to the panchayat or require the panchayat to pay back the amount not so utilised to the credit of the fund and the panchayat shall be bound to comply with the requirement.

### 8. . :-

The accounts of the fund shall be maintained in such forms as may be directed by the district panchayat.