

## **GUJARAT PANCHAYATS (DISTRICT EQUALISATION FUND) (INVESTMENT AND SPECIAL GRANTS) RULES, 1995**

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## **GUJARAT PANCHAYATS (DISTRICT EQUALISATION FUND) (INVESTMENT AND SPECIAL GRANTS) RULES, 1995**

In exercise of the powers conferred by sub-section (1) of section 274, read with section 221 of the Gujarat Panchayats Act, 1993 (Guj. 18 of 1993), the Government of Gujarat hereby makes the following rules namely

### **1. Short title :-**

These rules may be called the Gujarat Panchayats (District Equalisation Fund) (Investment and Special Grants) Rules, 1995.

### **2. Definitions :-**

In these rules, unless the context otherwise requires

- (a) "Act" means the Gujarat Panchayats Act, 1993:
- (b) "Backward panchayat" 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 221 of the Act :
- (e) "Panchayat" means a village panchayat, or a taluka panchayat, as the case may be;

(f) "Section" means a section of the Act ;

### **3. Investment of the Funds :-**

All sums of the fund shall be deposited by the District Panchayat in the Government Treasury to the credit of the separate Personal Ledger Account of the District Development Officer opened for this purpose. Out of the sums so deposited, the actual amount required for the payments as grants shall be kept in the Personal Ledger Account and the remaining amount shall be invested in Government as term deposits of the District Panchayats.

### **4. List of Backward Panchayats :-**

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

### **5. Panchayats 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: Provided that where such application is for meeting an expenditure for financing any work or 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 (3).

### **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 of and the

existing financial position of the panchayat may by a resolution sanction such amount by way of special grant to the panchayat as it may think proper but not exceeding.

(a) Rs. 25,000/- in the case of a village panchayat.

(b) Rs. 50,000/- 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 as 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 stating the amount sanctioned and the manner in which and the purpose for which the amount has been utilised.

## **7. Utilisation of special grant :-**

(1) Where any special grants made to any panchayat under section 221 of the Act 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 fully within the period specified by the district panchayat, the district panchayat may at its discretion 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. Maintenance of accounts of funds :-**

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

## **9. Repeal and Savings :-**

The Gujarat Panchayat (District Equalisation Fund) (Investment and Special Grants) Rules, 1964 are hereby repealed. Such repeal shall not affect anything done or any action taken under the rules so repealed.