

**KARNATAKA FAMINE RELIEF FUND ACT, 1963**

**' of**

**[7th November, 1963]**

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STATEMENT OF OBJECTS AND REASONS [KARNATAKA ACT No. 32 OF 1963] Karnataka Gazette, dated 21-6-1962 For meeting expenditure on occasions of famine or of distress caused by drought, flood, fire and other natural calamities, Famine Relief Funds had been created in the Madras State and the former Bombay, Hyderabad and Mysore States. There was no such fund in the former Coorg State. The Famine Relief Funds of the Bombay and Madras States had been created under the Bombay Famine Relief Fund Act, 1936, and the Madras Famine Relief Fund Act, 1936, respectively. The Fund of the former Hyderabad State was created by a Firman of the Nizam while that in the former Mysore State had been established by executive order of Government. After the reorganisation of States, the balances at the credit of these Funds as on 31-10-1956, either in cash or in Government Securities have been allocated to the new State of Mysore in accordance with the provisions of the States Re-organisation Act, 1956. The Second Finance Commission have also advised the State Governments to set up separate funds for the purpose. It is therefore considered necessary to create a Famine Relief Fund for

the new State of Mysore by statute.

**1. Short title, extent and commencement :-**

(1) This Act may be called the Karnataka Famine Relief Fund Act, 1963.

(2) It shall extend to the whole of the State of Karnataka.

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

**2. Definitions :-**

In this Act, unless the context otherwise requires.

(a) "Fund" means the Karnataka Famine Relief Fund established under Section 3;

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

(c) "State" means the State of Karnataka.

**3. Establishment of the Karnataka Famine Relief Fund :-**

On the commencement of this Act, the State Government shall establish in and for the State, a Fund called "The Karnataka Famine Relief Fund", which shall consist of.

(i) such of the Government securities which belong to the Famine Relief Fund established under the Bombay Famine Relief Fund Act, 1936 (Bombay Act XIX of 1936), and the Madras Famine Relief Fund Act, 1936 (Madras Act XVI of 1936), and transferred to the State of Karnataka as successor State under Section 80 of the States Reorganisation Act, 1956 (Central Act 37 of 1956);

(ii) such amounts of the Famine Relief Funds of the pre-reorganised States of Karnataka and Hyderabad as were invested in the securities of the Central or State Governments and transferred to the State of Karnataka as successor State under Section 80 of the States Reorganisation Act, 1956 (Central Act 37 of 1956);

(iii) the interest which may from time to time accrue on the securities referred to in clauses (i) and (ii);

(iv) such sums as the State Government may from time to time contribute to the fund under sub-section (2) of Section 6 or otherwise; and

(v) the interest which may from time to time accrue on the

securities of the Fund invested or re-invested under Section 5.

**4. Purpose for which the Fund may be utilised :-**

The Fund shall be expended only upon.

(i) relief of famine in the State; and

(ii) the relief of distress caused by drought, flood, fire or other natural calamities in the State:

Provided that when the Fund exceeds sixty lakhs of rupees, the State Government may utilise the excess to meet expenditure on protective minor irrigation works and other works as may be prescribed, for the prevention of famine in the State, or for the grant of loans to cultivators either under the Karnataka Land Improvement Loans Act, 1963 (Karnataka Act 16 of 1963), or under the Karnataka Agriculturists' Loans Act, 1963 (Karnataka Act 17 of 1963), or for relief purposes, or in the repayment of advances made by the State Government, or to meet irrecoverable balance of loans granted under the said Acts or for relief purposes.

**5. Investment and re-investment of amounts not required :-**

The State Government shall from time to time invest or re-invest in the securities of Government all sums to the credit of the Fund which may not be immediately required for any of the purposes mentioned in Section 4.

**6. Accounts of the Fund and making up of the deficiency in the Fund :-**

(1) The accounts of the Fund shall be made up at the end of each financial year, the securities belonging to the Fund being valued at the market value on the last day of such year.

(2) If the accounts so made up show that the balance of the Fund at the end of such year falls short of sixty lakhs of rupees, the deficiency shall be made up from the Consolidated Fund of the State: Provided that if the deficiency exceeds twenty lakhs of rupees, it may be made up in annual instalments, the amount of such instalments except the last being not less than ten lakhs of rupees,

(3) Any expenditure incurred by the State Government under sub-section (2) shall be charged on the Consolidated Fund of the State.

**7. Power to make rules :-**

(1) The State Government may by notification published in the Official Gazette make rules to carry out the purposes of this Act.

(2) Every rule made under this section shall be laid as soon as may be after it is made, before each House of the State Legislature while it is in session for a total period of thirty days which may be comprised in one session or in two successive sessions, and if, before the expiry of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in the rule or both 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.