

General Purposes Grants-in-Aid Rules, 1961

MADHYA PRADESH

India

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Rule GENERAL-PURPOSES-GRANTS-IN-AID-RULES-1961 of 1961

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General Purposes Grants-in-Aid Rules, 1961Published vide Notification No. 174-6808-U-18, dated 7-6-1962, M.P. Gazette, Part 2, dated 17-8-1962

1. Short title and commencement.

(1)These rules may be called "General Purposes Grants-in-aid Rules, 1961".(2)These rules except sub-rule (1) of Rule 3 shall come into force from 1st April 1961, sub-rule (1) of Rule 3 shall come into force on 1st April 1963.(3)They shall extend to the whole of Madhya Pradesh and shall be applicable to the Municipal Corporations. Municipal Councils and Notified Area Committees.

2. Definitions.

- In these rules unless the context otherwise requires,-(1)"General purposes Grant-in-aid" means Government assistance in the form of Grant-in-aid intended to provide for the local authority after taking into account its resources and the possibility of augmenting them, a fairly adequate finance for discharging its obligatory and executive functions.(2)"Municipal Law" means a law for the time being in force for the organisation and administration of Municipal Corporations and Municipalities.

3. Eligibility for grant.

(1)The Local Authority which has-(a)imposed-(i)octroi, or terminal tax on goods;(ii)my other tax specified by the State Government from time to time in this behalf, under the Municipal Law, and(b)taken all necessary steps for the realisation of the above taxes;shall only be eligible to receive the grant-in-aid :Provided that the State Government may, subject to such conditions as it may deem proper to impose, exempt any local authority from the provisions of this sub-rule.(2)The General purpose Grant-in-aid may be paid in the first instance, for a period of five-years and shall

not be subject to alterations from year to year within that period, save for exceptional reasons.(3)The General Purposes Grant shall be paid every' year in two equal instalments, preferably in April and October.

4. Scale of grant.

- The scale of the grant shall be as follows :-

1. Municipal Corporation	50 p.	per head of population
2. Municipalities having population below 10.000.	Rs. 1.50 nP.	Do
3. Municipalities having population between 10.0(H)and 20,000.	Rs. 1.25 nP.	Do
4. Municipalities having population between 20.000and 50,000.	Re. 1/-	Do
5. Municipalities having population above 50.000.	Re. 0.75 nP.	Do

Explanation 1. - The expression 'Municipality' shall includes a Notified Area.[Explanation 2. [Inserted by Notification No. I-XVIII-I-74. dated 2-1-74] - The population of a Municipal Corporation or municipality has reference to the population of such Corporation or municipality according to the latest census figures published by the Government of India unless the State Government otherwise directs],

4A. [Release of Grant-In-Aid. [Inserted by Notification No. I XVIII-I-74. dated 2-1-74.]

- The grant-in-aid under these rules shall be released by the Director of Local Bodies, subject to such terms and conditions, as may be imposed by the State Government.]

5. Power of State Government.

(1)Notwithstanding anything contained in these rules the State Government may at any time.-(a)discontinue the grant to all or any of the local authorities;(b)with old the grant in whole or in part;(c)reduce the grant in respect of all or any of the Local Authorities;(d)adjust the grant in whole or in part against any amount due by the local authority to the State Government :Provided that before any order is passed under this sub-rule, an opportunity shall be given to the local authority concerned to show cause why such an order should not be passed.(2)The State Government may at any time, revive or restore the grant discontinued, withheld or reduced under sub-rule (1).

6. Repeal and saving.

- The previous orders of the Government for the regulation of General purposes Grant-in-aid for the time being in force shall stand superseded with effect from 1st April 1961 :Provided that such supersession shall not affect the eligibility of the Municipal Committees including the Notified Area Committee of the Vindhya Pradesh Region for receiving the 2nd instalment of the grant-in-aid paid to them in accordance with the principles laid down in cabinet Resolution No. 196, Dated the 23rd April, 55 of the ex-Vindhya Pradesh Government as modified by the Madhya Pradesh Government for a period of five-years subject to its being reduced by 20 per cent every year so that it may be discontinued totally thereafter.