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## **Narcotic Drugs and Psychotropic Substances (National Fund for Control of Drug Abuse) Rules, 2006**

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## **Narcotic Drugs and Psychotropic Substances (National Fund for Control of Drug Abuse) Rules, 2006**

In exercise of the powers conferred by Section 76 read with Section 7 A of the Narcotic Drugs and Psych ChotropicSubstances Act, 1985 (61 of 1985), the Central Government hereby makes the following rules, namely:-

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

(1) These rules may be called the Narcotic Drugs and Psychotropic Substances (National Fund for Control of Drug Abuse) Rules, 2006.

(2) They shall come into force on the date of their publication in the Official Gazette.

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

In these rules, unless the context otherwise requires,-

(a) "Act" means the Narcotic Drugs and Psychotropic Substances Act, 1985 (61 of 1985);

(b)"Controlling Officer" means an officer who is entrusted, by the Central Government, with the responsibility of controlling the receipt of money in the Fund and incurring expenditure from the Fund.

(c) "Governing Body" means the Governing Body constituted by the

Central Government under sub-section (3) of section 7A of the Act;

(d) "Form" means the Form appended to these rules;

(e) "Fund" means the National Fund for Control of Drug Abuse constituted under section 7A of the Act;

(f) all other words and expressions used in these rules and not defined, but defined in the Act shall have the same meanings respectively assigned to them in the Act.

### **3. Procedure for remittance of grant to the Fund :-**

(1) Every grant made by any person or institution under clause (c) of sub-section (1) of section 7A of the Act shall be made by crossed cheque or demand draft in favour of the National Fund for Control of Drug Abuse and sent to the Joint Secretary (Revenue), Ministry of Finance, Department of Revenue, North Block, New Delhi-110001, who shall, on receipt of such cheque or demand draft issue a receipt to such person or institution making such grant.

(2) All grants made under sub-rule (1) shall be unconditional and irrevocable.

### **4. Receipt of money :-**

All moneys received under sub-section (1) of section 7A of the Act shall be credited to the Fund without delay by the Controlling Officer.

### **5. Procedure for grant of money from the Fund :-**

(1) Any Department of the Central Government or of State Government(s) or any organisation(s) (hereinafter called as the 'Applicant?') desirous of obtaining money from the Fund shall submit an application in Form 'A' appended to these rules, together with a project report.

(2) Even application made under sub-rule (1) shall be sent to the Joint Secretary (Revenue), Ministry of Finance, Department of Revenue, North Block, New Delhi-110001.

### **6. Grant of money from the Fund :-**

(1) The Central Government may require the Applicant to furnish further information or clarification regarding the activities and matters connected with the Applicant to enable it to consider payment out of the Fund,

(2) Subject to the conditions specified in sub-rule (3), the Governing Body may sanction money out of the Fund to an Applicant within the limits notified by the Central Government and the Central Government may, on the recommendation of the Governing Body sanction such amount of money to an Applicant, as it considers appropriate,

(3) Even' Applicant who has been sanctioned money out of the Fund under sub-rule (2) shall,-

(a) apply the money to meet the expenditure incurred in connection with the measures taken for combating illicit traffic in, or controlling abuse of, narcotic drugs and psychotropic substances or controlled substances for all or any of the purposes specified in sub-section (2) of section 7 A of the Act;

(b) submit an annual return ending on the last day of March of every year, within fifteen days of the end of the preceding year to the Central Government in Form 'B' appended to these rules.

(c) maintain regular books of accounts, showing receipt and expenditure, which shall provide a true and fair view of the financial position of such Applicant; and

(d) be bound by the terms and conditions stipulated in the letter of sanction of money issued by the Central Government.

(4) The money provided to the Applicant, and the assets acquired or created out of such money, shall be deemed to be entrusted to the Applicant for the purposes specified in sub-section (2) of section 7 A of the Act.

(5) The Applicant shall retain, hold and use the money received by it from the Fund, and all assets acquired with such moneys, solely for the purposes specified in sub-section (2) of section 7A of the Act and for no other purpose,

(6) If the Central Government has reasons to believe that an Applicant,-

(i) has failed to carry out the purposes specified in sub-section (2) of section 7A of the Act; or

(ii) is likely to be wound up; or

(iii) is unable to maintain and preserve the assets acquired or created out of the money received from the Fund: or

(iv) is unable to perform or is likely to commit breach of its obligations under the grant of money,

**7. Communication of sanctions :-**

All financial sanctions and orders issued by the Central Government under these rules shall be communicated to the Audit Officer or the Accounts Officer, as the case may be, in accordance with the procedure specified under the General Financial Rules, 2005.

**8. Accounts and audit :-**

(1) The Central Government shall maintain proper accounts and other relevant records as per the Accounting Procedure as at Annexure I, appended to these rules, and prepare a statement of accounts giving therein the details of the amount credited to the Fund and expenditure incurred there from, in consultation with the Comptroller and Auditor General of India.

(2) The accounts of the Central Government under sub-rule (1) shall be audited by the Comptroller and Auditor General of India at such intervals as may be specified by him.

(3) The Comptroller and Auditor General of India shall have the same rights and privileges and authority, in connection with the audit of the Fund and accounts of the Central Government maintained under sub-rule (1) and also in connection with the audit of the accounts of the Applicant, as he has in connection with the audit of General Accounts and, in particular, shall have the rights to demand production of books, accounts, connected vouchers and other documents and papers and to inspect any of the offices of the Central Government or the Applicant.

**9. Publication of annual report and statement of accounts :-**

The annual report giving an account of activities financed out of the Fund together with the statement of accounts referred to in section 7B of the Act shall be published in the Official Gazette as soon as possible after the end of each financial year and, in any case not later than 31st December of succeeding year.

**10. Application of the provisions of General Financial Rules, 2005 :-**

The provisions of the General Financial Rules, 2005 as amended from time to time shall, as far as may be, apply to the grant of money by the Central Government under these rules.

