

The Punjab Panchayat Samitis and Zila Parishad(General) Financial, Budget, Accounts and Audit Rules,1964

1.Short title and commencement.-

(1) These rules may be called the The Punjab Panchayat Samitis and Zila Parishad(General) Financial, Budget, Accounts and Rules,1964

(2) They shall come into force at once.

CHAPTER I

2. Definitions.- In these rules, unless the context otherwise requires.-

- (a) 'act' means the Punjab Panchayat Samities and Zila Parishads Act 1961(Act No. 3 of 1961)
- (b) 'accountant –general' means the Accountant –General, Punjab;
- (c) 'appropriation' means the assignment of meet specified expenditure of funds at the disposal of the assigning authority'
- (d) 'book transfer' denotes the process whereby financial transaction which do not involve the giving or receiving of cash or of stock materials are brought to account either by way of settlement or otherwise but they may also represent corrections and amendments made in cash, stock or book transfer transactions previously taken to account;
- (e) 'cash' includes legal tender coin, currency and bank Notes, cheques payable on demand, Reserve Bank Government drafts. and demand drafts and also revenue stamps but does not include Government securities, deposit receipts of banks, debentures and bonds accepted as security deposit'
- (f) 'chairman' means the Chairman of the Panchayat Samiti or Zila Parishad, as the case may be;
- (g) 'Competent authority ' means the Panchayat Samiti or Zila Parishad, as the case may be, and the Government or such other authority to whom powers in this behalf may have been delegated. A list of authorities which exercise the powers of a competent authority in relation to various rules is given in the Appendix to these rules;
- (h) 'Contract ' means any kind of undertaking, written or verbal, express or implied, by a person, not being a public servant or by a syndicates or firm for the construction, maintenance or repairs of one or more works, for the supply of materials, or for the performance of any services in connection with the execution of work or the supply of materials;
- (i) 'drawing and Disbursing Officer' means the Executive Officer for the Panchayat Samiti and Secretary for the Zila Parishad or any other officer who may be empowered to draw and disburse money from the Fund of the Panchayat Samiti[-].
- (j) 'examiner' means the Examiner, Local Fund Accounts Punjab;
- (k) 'executive Officer' means the Executive Officer of the Panchayat Samitis.
- (l) 'form' means a form appended to these rules;
- (m) 'fund' means the Panchayat Samiti fund or the Zila Parishad fund, as the case may be;
- (n) 'Government' means the Punjab Government in the Administrative Department.
- (o) 'non-recurring expenditure' means expenditure sanctioned as lump sum charge whether the money be paid as a lump sum or by instalments ;
- (p) ' Panchayat Samiti means the Panchayat samiti constituted under the Act for a block;
- (q) 're-appropriation' means the transfer of Fund from one unit of appropriation to another such unit;

- (r) 'recurring expenditure' means all expenditure which is not non-recurring'
- (s) 'Secretary ' means the Secretary of the Zila Parishad;
- (t) 'section' means the section of the Act;
- (u) 'technical sanction ' is the sanction of the competent authority to a properly detailed estimate of the cost of a work of construction or repair of any other scheme;
- (v) 'treasury' includes Sub-Treasury also;
- (w) 'vehicle' shall include bicycle, tricycle, auto-motor car and every wheeled conveyance which is used or capable of being used on a public street;
- (x) 'year' means the financial year beginning on the 1st of April and ending on the 31st of March following'
- (y) Zila Parishad means the Zila Parishad constituted under the Act;

CHAPTER II

The Budget

3 Appropriation-(Sections 82,98115(1) –An appropriation is intended to cover all the charges including the liabilities of the past year to be paid during a financial year or to be adjusted in the accounts of that year. It is operative until the close of that year. Any unspent balance will not be available for utilization after the close of the year .

4 Form of Budget-(Sections 82(1) and 115(2) (u).- The budget estimates of the Panchayat Samiti will be drawn up by the Executive Officer and that of the Zila Parishad by the Secretary in Form FBA1. All the receipts and expenditure will be

classified under the main Head of Accounts as shown therein. Heads of Accounts not provided for but considered absolutely necessary in classifying the various items under Receipts and Expenditure can be opened with the prior concurrence of the Government.

5 Budget of Panchayat Samiti.-(Sections 82(2) and 115(1).- The Executive officer shall prepare the budget of the Panchayat Samiti while framing the budget under section 82 he shall keep in view the following principles;

- (a) the estimates of the receipt shall be as accurate and realistic possible and shall show the amounts which are expected to be received by the Panchayat Samiti from the Government by way of grants-in-aid for Community Development Programme and liabilities or schemes transferred by other departments of the State Government , including the cost of permanent Government employees encadred under the Panchayat Samiti. This shall also include the amount expected to be realized by the Panchayat Samiti from local rates, taxes, fees or other sources. The arrears, f any, standing over form past years for collection, shall only be included in the estimates to the extent these are expected to be actually realized. The peoples' contribution (in cash only) if expected to be received by the Panchayat Samiti for the execution of the Community Development Schemes or other departments' schemes or its own schemes should also be taken in to account and provided for under proper Head of Account. The expected amounts of grants-in aid for Community Development Programme and schemes of other departments of the State Government shall however, be intimated to the Panchayat Samiti by the Government;
- (b) the amounts of loan, if any, expected to he received form the Government and the recovery of loan already advanced by the Panchayat Samiti and interest thereon which is expecteds to be actually realized during the year shall also be provided for in the budget estimates,
- (c) in the case of fluctuating revenue or receipts, the actuals of the past three years and the revised estimates of the current year ordinarily afford the best guide in framing the estimates. Any general tendency either to stability, or increase or decrease which might also have influenced the figuers of the part years and the new sums of revenue of which no account has been taken in the previous year,should also be kept in view for arriving at an accurate estimate of the Receipt. No income from any tax shall be shown on the Receipt side unless the imposition of tax is actually approved by the competent authority ;
- (d) provision for anticipated refunds should also be made in the estimates under head "Deduct-Refund" by means of a deduct entry form the total estimated Receipts;
- (e) for the estimated of expenditure of the next year , the current year's estimates should not be accepted blindly as the only basis. The need for every item should be scrutinized jealously before it is included in the estimates and only so

- much amount is provided for as is expected to be actually spent during the year;
- (f) the panchayat samiti should provide the entire amount of grants-in –aid expected to be received by it from the Government for the execution of various schemes as their main item of expenditure;
 - (g) all other items of expenditure which the Panchayat Samiti has to incur out of its own sources under each or various heads of accounts should also be estimated and provided for under proper heads of accounts on the expenditure side.
 - (h) adequate provisions should also be made for the due discharge of all liabilities to be liquidated in financial year particularly in respect of the following items .
 - (i) repayment of loans and interest their on due to Government.
 - (ii) the supplies and services including the pay and allowances of its staff and its members .
 - (iii) amounts due to Government consequential to the provincialization of schools and dispensaries .
 - (iv) audit fee payable to the examiner
 - (v) contribution payable to Government on account of the cost of Panchayati Raj Public Circle
 - (vi) contribution payable towards contributory Provident Fund .of the employees
 - (vii) Pension Contribution of the permanent Government employees who have opted for pension after their encadrement under the Panchayat Samiti
 - (j) adequate provision must be made for the maintenance of minimum cash balance at the end of the year amounting to ten percent of the income of the panchayat samiti for the previous financial year in terms of section 81
 - j) while framing estimates for new expenditure attention should be paid to the necessity of raising new resources to meet the additional demand and the proposals for the necessary measures viz, fresh taxation ,increase in existing level of taxation, economic , etc. , should be simultaneously drawn up and consider . Along with the budget, complete accounts of the receipts and expenditure for the financial year proceeding the one during which the estimates are framed should also be furnished by the Panchayat Samiti . Any variation in the figures of the previous year and the ensuing year should also be explained .
 - k) budget estimates should also be supported with a statement showing the pay (including the increments) of staff on time scale of pay . The details of contingent and other charges shall be shown in a separate statement .
 - l) while framing an estimate for sanction establishment, whether permanent or temporary the following procedure should be adopted.
 - (1) the sanction strength (including the rate and scale of pay) shall be shown together with the total cost thereof provision being made where pay is progressive or on a time- scale for all increments which will fall due during the currency of the budget year. necessary provision should also be made for the payment of arrears of pay, if any, which can be

foreseen and are likely to be paid during the currency of the budget year

(2) from the total of (1) a deduction should then be made for provable savings .

the estimates for fluctuating items of expenditure such as "Allowances Honoraria " should be biased on the current year allotment viewed in the light of the average of the past three years actuals, allowances being made for any causes likely to modify that figures.

6. Approval of Budget of Panchayat Samiti [sections 82 and 115(1)-Budget estimates so prepared shall be laid by the Executive Officers before the standing committee for finance and Taxation for its close scrutiny or any modification as it may consider fit, where after the standing committee for finance and Taxation shall submit the budget in Form FBA-I to the Panchayat Samiti in its meeting to be held on or before the twelfth February each year for consideration and taking action under section 8

7 Supplies of copies of sanctioned Budget of Panchayat Samiti(sections 82 and 115(2)(t))- As soon as the budget estimates of the Panchayat Samiti are sanctioned, copies there of will be supplied to ;

1. Government .
2. Deputy Commissioner, concerned .
3. Zila Parishad.

8.Budget of Zila Parishad[section 98 and 115 (2)(t)] – The provisions of rules 5 and 6 shall apply mutatis mutandi to the preparation of the budget of the Zila Parishad in so far as these may be applicable to it

9. Approval of Budget estimates of Zila Parishad[sections 98 and 115(1)]- Every year on 16th February or before that date, the Secretary of the Zila Parishad shall frame the budget and place it before the Zila Parishad for the their approval , where after it shall be sent to the Government , as soon as its passed by Zila Parishad, so that it can be scrutinized with a view not to approving, but to pointing out any misuse or abuse of funds placed at the disposal of the Zila Parishad. This need not be ruted through the Deputy Commissioner.

10 Supplies of copies of Sanctioned Budget of Zila parishad[sections 98 and 115(2)(t)]- As soon as the budget estimates of the Zila Parishad is approved,, copies there of shall be supplied to ;

4. Government .
5. Commissioner, of the Division concerned and.

6. Deputy Commissioner concerned .

11 Re-appropriation [section 82,98 and 115(1)] – The amount provided under any head in the approved budget of the Panchayat Samiti or the Zila Parishad may be transferred or appropriated to any other head with the prior approval of the Zila Parishad.

Provided that;

- a) no-re-appropriation is made from one section of account to an other.
- b) due provision is ensured under each head for schemes, institutions, services or liabilities which it is obligatory for the Panchayat Samiti or Zila Parishad to execute, maintain or pay for in accordance with the Act, rules made there under or the conditions of any grant made by the State Government ; and
- c) funds shall not be diverted from any scheme specially indicated by the Government in this behalf, nor shall the pattern of such schemes be altered without the prior approval of the Government

12.Revised or supplementary budget.[section 82,98 and 115(1)]-If in the course of the year, the Panchayat Samiti or Zila Parishad has reason to believe that budget under any head is likely to exceed and excess amount cannot be met by re-appropriation , supplementary or revised budget may be prepared and got sanctioned in the same manner in which the original budget was passed, but care should be taken to revise the budget not before the lapse of six months. Such revision shall, as far as possible, be restricted to once a year.

12 **Time schedule of budget.**[sections 82,98 and 115(2)(t)]-Subject to such general or specific instructions as may be issued by the Government from time to time in this behalf, the following shall be the due dates for the submission of the budget of the Panchayat Samiti and Zila Parishads:-

- a) The Panchayat Samiti or Zila Parishad shall prepare and send to the Government by the 15th July each year , the schedule of new expenditure pertaining to establishment charges (including contingency) in respect of all Government employees since encadred under the Panchayat Samiti or Zila Parishad as the case may be .
- b) The dates for submission and approval of the budget of the Panchayat Samiti and Zila Parishad shall be as follows:-

Last date of the submission/return of the Budget	BY	To
1	2	3
(i) Budget of Panchayat Samiti –By 5th February	Executive Officer Panchayat Samiti	Standing Committee for Finance and Taxation

By 12 th February	Standing Committee for Finance and Taxation	Panchayat Samiti
By 15th February	Panchayat Samiti	Zila Parishad
By 15th March, after final approval	Zila Parishad	Panchayat Samiti
(ii) Budget of Zila Parishad 5th February	Secretary, Zila Parishad	Standing Committee for Finance and Taxation
16th February	Standing Committee for Finance and Taxation	Zila Parishad
5th March	Zila Parishad	Government

Notes:-

- (1) In case the Zila Parishad has any recommendation to make with respect to the budget of the Panchayat Samiti, it shall return the budget to Panchayat Samiti within 15 days of the receipt. In case the Panchayat Samiti does not accept the recommendations of the Zila Parishad, it shall take action under clause (b) of sub section (2) of section 82 and return the budget to the Zila Parishad within a week of its receipt.
- 2) The department concerned of the State Government shall prepare district wise statement of funds to be placed at the disposal of the Zila Parishad and the Panchayat Samiti and shall pass on the same to the Government by the 15th November, each year.
- 3) The Government shall communicate to each Zila Parishad not later than the end of November, each year the allocation of-
- funds for schemes entrusted to the Zila Parishad ;and
 - funds for schemes entrusted to the Panchayat Samities
- 4) The Zila Parishad shall meet immediately and decide Block wise allocation of funds mentioned in Paragraph (b) of note 3, and convey its recommendation to Government by the end of December, at the latest, each year.
- 5) Keeping in view the recommendations of the Zila Parishad, the Government shall not later than the end of January each year, communicate to each Panchayat Samiti the allocation of funds to it for the schemes to be executed by it during the next financial year.
- 6) On receipt of the intimation of the allocation of funds , the Panchayat Samiti shall prepare its budget and submit it to Zila Parishad by the 15th of February each year, for approval.

14.Responsibility for maintenance.-[section 83,115(1) and 115(2)(u)]-(1) It will be the responsibility of the

Executive officer or Secretary to see all persons who receive or pay money on behalf of the Panchayat Samiti or Zila Parishad as the case may be maintain and render proper accounts therefore in such manner that information in regard to all receipt and expenditure could be deducted there from as required by Government from time to time. All accounts shall be kept so clean, the detail so fully recorded and the initial record of payments made so clear, explicit and self-contained as may produce a convincing and satisfactory evidence of the facts in a court of law.

(2) The Executive officer or Secretary shall render to the Panchayat Samiti or Zila Parishad, as the case may be, and the Government accurately and promptly such accounts and returns exhibiting the position of those transaction as may be required of him from time to time.

(3) All money received and expended on behalf of Panchayat Samiti or Zila Parishad will be credited into the withdrawn from the Panchayat Samiti fund or Zila Parishad fund, as the case may be

(4) No erasure shall be made in any account book, register, form, voucher and if any correction has to be made it shall be neatly in red ink, by crossing a horizontal line over the incorrect entry and attested by the Drawing and Disbursing Officer or the Officer In charge of the Institution concerned.

15. Accounts Ledger[section 83 and 115(1)]-The amounts credited into and withdrawn from Panchayat Samiti or Zila Parishad fund shall be properly accounted for in the relevant registers prescribed under these rules.

16. Cash Book[section 83 and 115(2)(u)]- (1) All money received or spent by or on behalf of the Panchayat Samiti or Zila Parishad shall without any reservation be brought to account in the cash book to be maintained in Form FBA-2 and attested by the Executive Officer or Secretary, as the case may be. Sufficient details should be given in the column particular's to admit the main points of each transaction being readily ascertained without reference to the detailed vouchers or challan.

(2) At the close of the day while signing the Cash Book, Executive officer or Secretary, as the case may be, should see that the receipts collected during the day are credited into the treasury on the same day or on morning of the following working day with a Challan in Form BA 3 when the money is paid into the treasury, the Executive Officer or Secretary making such payment shall compare the Treasury Officer's receipt on the Challan with the entry made in the Cash Book before attesting it.

(3) The amount remitted into the Treasury in cash should be entered on the payment side of the Cash book in the 'Cash' column and on the receipt side in the 'treasury' column.

(4) When money is received into the fund by Book Transfer credit, its receipt shall be entered in the Cash Book by

indicating 'By transfer credit' in particular columns and showing the amount under Treasury ' column of the Cash Book . All the dues of the Panchayat Samiti or Zila Parishad tendered by third party will be dealt with similarly , into the Treasury direct.

(5) When a cheque is drawn by the Executive Officer or Secretary in favour of 'Self' in order to replenish the Cash Chest or for payment to third party direct, its amount should, t once, be entered as receipt or payment as the caser may be , irrespective of the date of its encashment.

(6) The Cash Book shall on each day be closed , balanced , checked and signed by the Executive Officer or Secretary as the case may be in token of check.

(7) (a) If the cheque is cancelled before the cash transaction of the day in which is was issued, have been totaled the entry in the Cash Book shall be struck out in red ink under initials of the Executive Officer or Secretary , as the case may be with a note that the cheque has been cancelled .

(b) If , however, the Cash Book has been totaled and the correction is required to be made at any time with in the same financial year in which the cheque was issued, it should posted on the payment side of the Cash Book in the ' Treasury' column as a minus entry under the Head of expenditure to which it was originally charged.

(c) If the correction is required to be made in the year subsequent to that in which the cheque was issued , the amount of the cancelled cheque should be credited in the Cash Book in the Treasury column as 'Refund of the Expenditure of previous year'.

(8) At the end of the each month, the Executive Officer or Secretary as the case may be, shall:-

(a) verify the Cash Balance in the Chest with the Cash balance in 'Cash' column on receipt side the Cash Book and give a certificate as under:-

" Certified that cash balance in the chest has been checked and was found to be RS-----which tallied with the balance shown in the cash column of the cash book.

(b) also compare every item of the receipt and expenditure as shown int he treasury pass book with the relevant entries of the corresponding month in the cash book .

The difference, if there by any, shall be explained and accounted for in a foot-note in the Cash Book in the manner indicated below:-

Balance as per 'Treasury column of the Cash Book Rs.-----

(i) Add amount of cheques(detailed below) issued but not cashed Rs.-----

(1)

(2)

Total Rs. -----

(ii) Minus amount of cheques (detailed below) given to Treasury for collection , credit of which is still awaited:-Rs.-----

Balance as per Pass Book :- Rs.-----

Note1:-A surprise check shall also be made by the Executive Officer or Secretary as the case may be, once or twice a month in order to ensure that cash in hand agrees with the Cash Book . As and when a check is made, a certificate of count shall be recorded in the cash book

Note2:- If on comparison of the Cash Book with the Treasury Pass Book, any cheque appears to be unduly long outstanding, enquires shall be made regarding it and if it cannot be traced it shall be stopped by order of the Drawing Officer.

17(1) Resister of temporary advance.-[Sections83 and 115(2)(u)]-Whenever any advance is required to given to any official of the Panchayat Samiti or Zila Parishad for carrying out the purposes of the Panchayat Samiti or Zila Parishad as the case may be, a record of such advances shall be kept in the register of temporary advances in form FBA 4.

(2) Permanent advance.-A Panchayat Samiti or Zila Parishad as the case may be, may sanction a permanent advance up to a maximum limit of Rs.50 to any of its outlaying institutions. The advance should be intended to provide on the responsibility of the in charge of the Institution for emergent petty expenses. The holder of a permanent advance shall be responsible for the safe custody of the money placed in his hands and must at all times be ready to account for the total amount of the money so advanced, in vouchers or in cash or in both. The account of such an advance shall be kept in Form FBA 5 by the Panchayat Samiti or Zila Parishad as the case may be, and in Form FBA.5A by the holder of the imp rest . An acknowledgement in the following form should be furnished by the holder of an imp rest on 1st April each year to the Executive Officer or Secretary as the case may be:-

" I hereby acknowledge that the amount of Rs. -----sanctioned as imp rest is held by me in tact. The details of the same as it stood on 31st March-----are as given below:--

(i) Cash-----Rs-----

(ii) Paid vouchers-----Rs.-----

Signature-----

Designation-----

1[Provided that Panchayat Samiti or Zila Parishad as the case may be, may in special circumstances to be recorded in writing sanction such permanent advance not exceeding one hundred and fifty rupees.

18 General Ledger.-[Sections 83 and 115(2)(o)].The general Ledger will be in Form FBA6.It will consist of the

following parts:-

- (a) The accounts of Community Development.
- (b) The accounts of the Panchayat Samiti or Zila Parishad as the case may be, out of its own resources.

The purpose of this ledger shall be to watch the income and expenditure under each head of account and also the expenditure under each scheme. The first part shall comprise abstracts of income and expenditure of Community Development Programme under each head, i.e., B Agriculture, C. Animal Husbandry, etc, etc., followed by expenditure on each scheme under that head. Second part shall contain abstracts of income and expenditure of each department making the grants to the Panchayat Samiti or Zila Parishad as the case may be, followed by expenditure incurred on each scheme executed on behalf of the respective departments. Part third of the ledger shall comprise abstracts of income and expenditure under each section of accounts. viz., "I. General Account", "II. Loans and advances " "III. Deposits and "IV. Suspense Account", out of the resources of Panchayat Samiti or Zila Parishad as the case may be. The abstract of Section " "I General Account" shall be followed by the individual schemes implemented out of Panchayat Samiti or Zila Parishad's own income as the case may be.

As soon as an amount is received and accounted for in the cash book, an entry to this effect shall also be made in the relevant abstract in the General Ledger. All payments soon after they are made and entered in the cash book should be entered in the abstract and also under particular scheme in this register. At the close of the month the last balances standing in each abstract should be written on a separate sheet and totaled up and the figures thus arrived at tallied with the closing balance of the cash book.

(2) For the purpose of classifying the income and expenditure, a classified abstract shall be maintained in Form FBA 7 in two volumes or parts . One for income and the other for expenditure. A separate folio will be opened for each Head of Account under which income or expenditure has been budgeted for, and the items appertain gin to these Heads shall be taken from General Ledger as they occur and entered in the appropriate columns of the abstract. At the end of the each month the monthly and progressive totals shall be entered under each Head of the abstrac

(19) Adjustment of advances overpayments or refunds of over charges—[Section 83 and 115(1)].—

When it is necessary to adjust the recovery of a portion of an advance payment which has been unused or of an overpayment or the refund of money wrongly paid or any transaction of such description, the receipt or payment of the amount involved shall be entered in the cash book in red ink, the head of account to be entered in column 6 or column 13, as the case may be, being the original head of account of expenditure or income, as the case may be, preceded by the word "Deduct" and when the amount is carried to the Classified Abstract it shall be entered in red ink under the appropriate head of account in column 2 on the income or expenditure side, as the case may be, and deducted from the daily total

(20) Correction of misclassified items —[Sections 83 and 115(1)]. When it is necessary to correct any misclassification of any item or Receipt or Expenditure no entry shall be made in the Cash Book, but the necessary 'Deduct' and 'Add' entries shall be made in red ink under the relevant head of account in the classified Abstract, a note being made there against giving the date of the original debit or credit entry in the Cash Book, and the head of account to or from which the item has been transferred and the number and pages of the file on which the order sanctioning the correction has been recorded .

(21) Monthly Account.[Sections 83 and 115(2)(u)] (1) At the end of each month, a monthly account in Form FBA 8 shall be drawn up by the Panchayat Samiti and forwarded to the Zila parishad , with a copy to Government by the 10th of the following month. The Zila Parishad shall consolidate the monthly account of all the Panchayat Samitis in the district according to their stages(i.e., putting Pre-Extension samitis first to be followed by stage I,II and III) and forwarded it by 20th of the following month to the Government with its observation in regard to the slow or rapid pace of expenditure in the various Panchayat Samiti within its jurisdiction.

Explanation.(1) Panchayat Samiti wherein Community Development programme is to be introduced one year hence are known as Pre-Extension Panchayat Samitis.

(2) Panchayat Samitis:--

- (a) which are running in the First Five Year of Community Development Programme are known as stage I :
 - (b) which are running in the Second five-Years of the Community Development Programme are known as stage II; and
:
 - (c) which are running in the Third five-Years of the Community Development Programme are known as stage III :
- (2) Zila Parishad shall also prepare its own monthly account in Form FBA 8, and forward it to Government by the 10th of the following month.

22. Quarterly review.[sectins 83 and 115(1)]—The Zila parishad shall conduct the quarterly review of income and expenditure of all the Panchayat Samitis with in its jurisdiction in respect of the functions entrusted to them and shall send a copy of its reveiw along with the copy of the consolidated statement of figures of income and expenditure of all the Samitis in its jurisdiction showing the income realized and expenditure incurred during the quarter, progressive expenditure to the end of previous quarter and the expenditure incurred to the end of the quarter under review for the consideration of the Government.

23., Annual Account of Panchayat Samiti[Sections 85 and 115(2) (u)]—(1)At the end of each year the Panchayat Samitis shall prepare its annual account in Form FBA 9 showing its income and expenditure under each of the budget heads and send it to Zila parishad by the following 15th May for transmission to the Government with its observations, if any.

- (2) An advance copy of the annual account will be supplied by the Panchayat Samiti to the Governement.
- (3) The annual account of the Panchayat Samiti shall be supported by the following statements:--
 - (a) Statement showing the receipt and disbursement of loan in Form FBA 10.

- (b) Statement showing loan received from Government and amount of installments that fell due for repayment to the Government, amounts actually repaid, the balance still due from panchayat Samiti and reasons therefor in Form FBA 11.
- (c) A list of works in Form FBA 12 showing the works required to be undertaken during the year, actually undertaken, cash involved and the amount actually spent there against and reason for not having executed the entire works.
- (d) A Statement in Form FBA 13 indicating the assets and liabilities of Panchayat Samiti.
- (e) A statement in Form FBA 14 showing the reasons for saving under each head of account wherein the Panchayat Samiti received the Grants-in aid from the Government for the execution of various schemes transferred to it under section 42 and 43. The Executive Officer will also record a certificate of utilization clearly stating that:--
 - (i) the grant in full or in part has been utilized on the object for which it was granted,
 - (ii) the accounts therefore have properly been maintained, and
 - (iii) the vouchers are under his custody and if not, arrangements could be made to produce as and when required for audit by the Examiner or officials of the Government.

24 Annual Account of Zila Parishad—[Sections 115(2)(u)]. The Zila Parishad shall prepare its Annual account in the manner as laid down in rule 23, so far as it is applicable to Zila Parishad and sent it to Examiner and Government by the following 15th May.

CHAPTER IV

FUND ITS APPLICATION AND INVESTMENT

25. Custody of Fund.—[Sections 79 and 96].(1) The Samiti Fund and the Zila Patrishad Fund kept under section 79 and section 96 of the Act shall be of the nature of a local Fund Deposit Account under the head "Deposits and advances—Part II—Deposits not bearing interest—(c) Other Deposit Accounts—Deposit of Local Fund Other Funds—Other Miscellaneous Allowances Funds—Funds(i) Panchayat Samiti/ (ii) Zila Parishad".

(2) The Fund shall be kept at the Treasury as a purely banking account, money being paid into and drawn out of it without specification of the nature of the Receipt or Expenditure. Withdrawal will be made only by means of cheques signed by the Executive Officer or the Secretary as the case may be, only when it is required for immediate disbursement on an item of expenditure of Panchayat Samiti or Zila Parishad, as the case may be.

26 Pass Book—[sections 79 and 96] (1) The Treasury Officer shall issue a Pass Book in which all the sums paid into or drawn by means of cheques from the Treasury on behalf of the Panchayat Samiti or Zila parishad shall be entered by him.

(2) The Pass Book shall written up only by the Treasury Establishment by whom the initial accounts are kept. No entry shall, under any circumstances, be made therein by any one connected with or working in the office of the Panchayat Samiti or Zila Parishad.

(3) The Pass Book shall remain in the personal custody of the Executive Officer or Secretary, as the case may be, who shall be responsible to see that the Pass Book is sent to the Treasury Officer at least once a month and balances.

(4) The Treasury Officer is responsible for seeing that the entries are correctly made and at the end of each month the

entries on each side of the Pass Book are totaled and the balance struck and agreed with treasury account. The Pass Book shall then be signed and returned to the Executive Officer or Secretary, as the case may be, by the Treasury Officer. The former will be responsible to reconcile the balance as shown in the Pass Book and that shown in the Treasury column of his Cash Book.

27. Payment of money into Treasury.—[Sections 79,96 and 115(1)].(1) Handling of cash should, as far as possible, be avoided and in case of receipt of sum in excess of Rs.100,the Panchayat Samiti or Zila Parishad, as the case may be, should invariably direct the persons from whom sums are due, to pay, the money direct to the credit of the Fund in the treasury concerned, subject to instructions as laid down in rule 28(1) below.

(2) All moneys received at the office of Panchayat Samiti or Zila parishad as the case may be, be remitted into the Treasury to the credit of their respective Funds promptly through treasury challan in Form FBA 3 duly signed by the Executive Officer or Secretary as the case may be, as the accumulation of cash in the Pachayat Samiti or Zila Parishad chest beyond the prescribed limit is prohibited . An entry of such remittance shall also be made in the Cash Book under his initial. The Treasury Officer will retain one part of the challan and shall return the other to the person making payment and cause the third part to be sent to the Panchayat Samiti or Zila Parishad, as the case may be. A part of the challan received back duly receipted by the Treasury Officer shall be filed by the Executive Officer or Secretary , as the case may be, as a voucher in support of the remittance.

(3) The amount recovered on account of locate rate is credited in to the Panchayat Samiti or Zila Parishad Fund, as the case may be by the revenue authorities. At the close of the month, the Tahsildar concerned shall prepare a statement in Form FBA 15 from the revenue register showing the collections of local rate during the month and supply a copy of the same to the respective Panchayat Samiti or Zila Parishad with a view to reconcile the credits with the daily memorandum received from the Treasury Office

28. Receipt of money by direct payment into Treasury.—[Sectins79,96115(1)115(2)(u)].—(1) When money is to be paid direct into the Treasury for credit to the Fund concerned the person making the payment shall be provided with a challan in Form FBA 3 (in triplicate) of which one shall be retained by the Treasury Officer, the second shall be handed over as his freceipt to the person making the payment, while the third shall be returned to the

Panchayat Samiti or Zila Parishad Fund, as the case may be. The challan will show full particulars of payment, the name of the person through whom money is being paid, and on whose behalf the same has been tendered, and all other particulars necessary for proper accounting and classification of the credit. No remittance challan will, however, be accepted by the Treasury Officer without seeing demand notice issued by the Panchayat Samiti or Zila Parishad or unless the challan is actually signed by the Executive Officer or Secretary as the case may be. Similar procedure will be followed by the Tahsil Moharrir while crediting the amount of realization of local rate into the relevant fund.

(2) Whenever any sum is required to be credited into the sub-treasury, the challan in Form FBA 3 (in quadruplicate) will be prepared, of which one folio will be retained by the Sub-Treasury Officer, the second part shall be handed over as his receipt to the person making the payment, the third part shall be returned to the Panchayat Samiti or Zila Parishad, as the case may be, while the fourth will be forwarded to the Treasury Officer.

29. Receipt of money by book transfer.—[sections 78,97 and 115(1)]—Grants-in-aid required to be paid by various departments of the Government on account of the execution of various schemes or otherwise, will be paid into the Fund by the Treasury Officer concerned by transfer credit per contra debit to the Major head concerned in accordance with the accounting procedure and the entry of the amounts so credited into Fund sill appear in the Pass Book on the basis of which the necessary entry will be made on the receipt side of the Cash Book.

30. Drawing of money from fund.—[Section 80,96 and 115(1)]—(1) All payments up to and for Rs. 1[100] shall be made in cash.

(2) Payments over Rs. 1[100] should invariably be made by means of cheque and reference to cheque No. and date should be quoted on the bill concerned so as to avoid its double payment. All the cheques payable to third parties will

be made over to them for obtaining payment from the Treasury.

Provided that the Drawing Officer or Secretary as the case may be, may in special circumstances to be in with made payments over fifty in cash to Gram Panchayat.

(3) Whenever money is required to replenish the cash chest, it should be drawn from the account of the Fund by means of a cheque in favour of 'Self'

31. Cheques.—[sections 80, 96 and 115(1)]—(1) The cheque books will be supplied by the Treasury Officer with whom the Fund has been lodged.

(2) The Treasury Officer shall supply a cheque book only on receipt of the printed requisition form which is inserted in each cheque book towards the end, and never more than one cheque book on a single requisition.

(3) The Drawing Officer shall notify to the Treasury upon which he draws, the number of each cheque book which from time to time, he brings into use and the number of cheques it contains.

(4) The cheque books shall on receipt, be carefully examined by the Drawing Officer who should count the number of forms contained in each and record a certificate of count on the fly-leaf.

(5) Each foil of the cheque books shall distinctly be marked with rubber stamp bearing the name of the Panchayat Samiti or Zila Parishad as the case may be.

(6) Each cheque book must be kept under lock and key in the personal custody of the Drawing Officer, who when relieved shall take a receipt of the exact number of cheques made over to the relieving officer and shall send a specimen of the signature of the relieving officer together with a certificate in following form to the Treasury Officer:--

To

I have this day made over charge of the office of the Panchayat Samiti , Zila Parishad _____ to
Shri _____ whose signatures are given below

Relieving Officer

Relieved Officer.

(7) No cheque shall ordinarily be signed unless required for immediate delivery to the person to whom money is to be paid. Every cheque shall be drawn in favour of the person to whom the money is actually to be paid and self cheques should not be drawn except in the following cases:--

- (i) Pay and allowances of establishment chargeable to the Fund.
- (ii) Replenishment of cash chest of Panchayat Samiti or Zila Parishad as the case may be.

(8) All cheques shall have written across them in words at right angles to the top, a sum a little in excess of that for which they are granted; thus 'under rupees thirty only' will mean that the cheque is for a sum not less than Rs. 20, but less than Rs. 30; and similarly under rupees eight hundred only' will mean that its for less than Rs. 800 but not less than Rs. 700. All cheques shall be written and signed with the special 'Registration Ink.'

(9) Cheques remain current for three months only after the month of issue. Thus a cheque bearing date in January is payable at any time up to 30th April. If the currency of a cheque should expire owing to its not being presented at the treasury for payment within the period specified above, it may be received back by the drawer who should cancel it and issue a new cheque in lieu of it. The fact of the cancellation and the number and date of the new cheque should be recorded on the counterfoil of the old cheque and number and date of the old cheque that is of cancelled one should be entered on the counterfoil of the new one. The fact of the new cheque having been issued should be entered on the date of issue in red ink in the cash book but not in the column for payment, a note being made at the same time against the original entry in te cash book.

(10) When it is necessary to cancel the cheque, the cancellation must the recorded on the counterfoil. If the cheque is in the possession of the Drawing Officer it should be enfaced or stamped 'cancelled' and destroyed only after the accounts for the month in which its was drawn, have been audited. Otherwise the Drawing Officer should promptly address the Treasury Officer to stop its payment. The cancellation order should also be recorded on the payment orders on the original voucher.

32,. Lost Cheque.—[sectins80,96 and 115(1) If an issued cheque is lost and cannot be presented for payment,

after ascertaining that it has not been encashed an intimation shall at once be sent to the Treasury Officer that the original cheque No. _____ dated _____ be considered as cancelled and be not encashed if presented. A duplicate cheque shall then be issued, at the top of the counterfoil of duplicate cheque shall be written in red ink 'Duplicate of cheque No. _____ Dated _____ issued. A note shall also be made in red ink in the General Cash Book against the item concerned giving the number and date of the duplicate cheque issued

33. Department Cash Chest.—[Sections 115(1)]. (1) All cash in the Departmental cash Chest of the Panchat Samiti or Zila Parishad shall be kept in the strong iron chest under double lock system. All the keys of the same lock shall not be kept in one person's custody. The key of one lock shall be kept apart from the keys of other lock and that too, in different person's custody. The chest shall never be opened unless both the custodians of the keys are present.

(2) Key of one of the locks shall be kept by the Executive Officer or Secretary as the case may be, and of the other by the Cashier, Duplicated set of the keys shall be deposited with the Treasury and their inspection shall be done periodically as required under the sub-Treasury Rules.

(3) The Panchayat Samiti or Zila Parishad as the case may be, may allow the accumulation of cash in the departmental cash chest up to a maximum limit [Rs.500] in the case of Panchayat Samiti and [Rs. 750] in case of Zila Parishad at any time. But this limit will, however, be subject to increase or decrease with the prior approval of Government in accordance with the circumstances prevailing the various Panchayat Samitis or Zila Parishads.

(4) The Panchayat Samiti or Zila Parishad will not be permitted to retain any additional money by way of Permanent Advance

34. Fetching of cash.—[section 115(1) Employment of class IV servants to fetch or carry money should be discouraged. The money should be obtained and remitted into the Treasury only through an employee of some length service, proved trustworthiness and who has offered sufficient security.

35. Cashier and the Accountant —[Section 115(1)] The work of cash and account shall be kept distinct from each other and will be transacted by the officer who will be termed Cashier and Accountant respectively. If there be no

separate Cashier, the duties of receipt and custody of cash shall be performed by such official as the Executive Officer or Secretary, as the case may be, may direct in this behalf. Such an official shall be required to furnish adequate and valid security commensurate with the amount of the case likely to be kept in this sole custody.

.36. Application of Samiti Fund.—[Sections 33, 41, 80 and 115(2)(i)] (1) The Panchayat Samiti Fund shall be applicable to the matters enumerated in section 80 and the following incidental matters there to—

- (a) the provision and maintenance of a Panchayat Samiti Officer including other officers and record room(s) and the cost of appurtenances and fittings and insurance and taxes; in respect of such offices;
- (b) salaries and allowances of the servants of a Panchayat Samiti, the allowances to be paid to its members, liveries, contribution to the pensionary and provident fund, gratuities, pensions, if provided under the rules and cost of propulsion and of maintenance of the vehicle belonging to the Panchayat Samiti and all expenditure incidental thereto;
- (c) Stationery and printing charges for all offices under its control;
- (d) law charges;
- (e) election expenses;
- (f) the provision and maintenance of dispensaries, hospitals and other institutions under its control;
- (g) advertisement charges;
- (h) investments;
- (i) proportionate cost of Panchayat Raj Public works Circle;
- (j) audit fee;
- (k) disbursement and repayment of loan, if any.

(2) Panchayat Samiti Fund, with the sanction of the Government, may be applied for—

- (a) contributing to the Fund of Zila Parishad or any Gram Panchayat within its jurisdiction;
- (b) contributing towards the expenses of any public exhibition in the area under its jurisdiction;
- (c) contributing to any charitable fund or to the funds of any institution for the relief of poor or the treatment of diseased or infirm persons or the investigation of the causes of disease out side or within the area subject to the jurisdiction of the Panchayat Samit.
- (d) incurring any other extraordinary charges for purposes of like nature;
- (e) contributing for becoming a member of any body or society outside its jurisdiction; and

(3) The payment of any sum out of the Samiti Fund may be authorised by the Executive Officer in the absence of budget provision in the case of--

- (a) repayment of money belonging to contractor or other person held in deposit, and of money collected or credited into the Fund by mistake;
- (b) any sum which the Panchayat Samiti is liable to pay by way of compensation or expenses under any law;
- (c) sums payable under the decree or order of Civil Court passed against the Panchayat Samiti or under a compromise of any suit or legal proceedings or claim:

Provided that the Executive Officer shall forthwith communicate the circumstances to the Panchayat Samiti which shall take such action as it may, in the circumstances, deem necessary or expedient to cover any expenditure not covered by a budget allotment.

37. Application of Zila Parishad Fund.[Sections 96,97 and 115(2)(i)]—(1) The Zila Parishad Fund shall also be applied for the following purposes, namely:--

- (a) development of cottage, village and small-scale industries and the like;
- (a) maintenance and administration of endowments and trusts in its charge;
- (b) securing the execution of Plan, Projects, Schemes or other works common to two or more Panchayat Samitis, if the same is entrusted to it;
- (c) performance functions in relation to any development programme as the Government may, by notification, confer or entrust to it;
- (d) maintenance of service in the district –whether undertaken by local authorities or Government;
- (e) maintenance of roads of the defunct District Board, apportioned and allocated under section 118 to a Zila Parishad and other roads under its charge;
- (f) Payment of expenses of in respect of such portion of the cost of Panchayati Raj Public Works Circle as may be held equitable debit able to a Zila Parishad in return for the services rendered to it by the Panchayat Raj Public Works Circle;
- (g) Payment of expenses in respect of such portion of the cost of Departments for Education, Public Health, Agricultural, Public Works and any other Department as may be held by the Government to be equitably debit able to a Zila Parishad in return of the services rendered to it by these Departments;

- (h) the provision and maintenance of a Zila Parishad office including other officer and record rooms, and the cost of appurtenance, fittings, insurance and taxes in respect of such offices;
 - (i) salaries and allowance of the servants of a Zila Parishad, the allowances to be paid to its members ,liveries, contributions to the pension and Provident fund, gratuities and pensions if permitted under the rules, the cost of maintenance of the vehicles of the Zila Parishad and all expenditure incidental thereto:
 - (j) stationery, printing and advertising expense including the cost of reporting the proceeding at the meeting of the Zila Parishad;
 - (k) law Charges
 - (l) election expenses;
 - (m)audit fees;
 - (n) the provision and maintenance of institutions, if any, under the control;
 - (o) the preparation and maintenance of record of rights in immovable property;
 - (p) the acquisition of land for all or any of the purposes of the Act;
 - (q) any other expenditure which the Government may on a recommendation of the Zila Parishad or otherwise declare to be a fit and proper charge on the Zila Parishad Fund;
- (1) The Zila Parishad Fund may be applied for contribution to the Fund of any Samiti or any Gram Panchayat within its jurisdiction and may, with sanction of the Government, be applied for--
- (a) contribution towards the expenses of any public exhibition in the local area under its control;
 - (b) contributing to any Charitable Fund or to the Fund of any institutions of the diseased or infirm persons or the

investigation of the causes of diseases within or outside its jurisdiction; and

(c) incurring any other extraordinary charges.

(3) The payment of any sum out of the Zila Parishad Fund may be made or authorised by the Secretary in the absence of budget in the case of --

(a) any refund required to be made under the Act or any law;

(b) repayment of money belonging to contractor or other person held in deposit, and of the money collected or credited into the Zila Parishad Fund by mistake;

(c) sums payable under the decree or order of Civil Court passed against the Zila Parishad or under a compromise of any suit or legal proceedings or claim; and

(d) any sums which a Zila Parishad is liable to pay by way of compensation or expenses under any law;

Provided that the Secretary shall forthwith communicate their circumstances to the Zila Parishad under advice to the Government to take steps to cover the expenditure not covered by the allotment.

38. Surplus fund with Panchayat Samitis—[Sections 79(2) and 115(1)] The actual cash balance in the Samiti Fund excluding investments, the unspent balances of loans and grants of all kinds (except the unspent balances of adhoc grants), the amount of the minimum balance required to be maintained in the Fund under the Act and the amount of any other commitment, decree or compensation the payments of which are required to be made immediately, will be considered as the surplus amount available in the Fund.

39. Investment of Surplus Fund by Panchayat Samiti.—[Sections 79 and 115(2)(f)]—Up to fifty percent of the surplus amount available in the Samiti Fund, as arrived at according to rule 38 could, with the previous sanctions of the Deputy Commissioner concerned, be invested by the Panchayat Samiti in the securities of Central Government or in such other securities as the Government may approve in this behalf and with the previous sanction of the Deputy

Commissioner concerned, may vary such investments for another or others of like nature;

provided that no investment, variation or disposal thereof shall be made, unless it is passed by a resolution of the Panchayat Samiti .

40. Register of investments.—[Sections 79 and 115(2)(u)] [--] Details with regard to all investments made by the Panchayat Samiti shall be entered, from time to time, in a Register of investments to be maintained in Form FBA—16, in which every entry made shall be initialed by the Executive Officer of the Panchayat Samiti .

41. Investment of Zila Parishad Fund[Sections 115(1)] The Zila Parishad shall not make any investment from its Fund.

CHAPTER V

RECEIPT AND EXPENDITURE

42. Assessment and collection of revenue. [sections 78, 115(1) and 115(2)(u)] It is primarily the responsibility of the Executive Officer or the Secretary to see that all revenue or other debts due to the Panchayat Samiti or Zila Parishad, as the case may be, which have to be brought to account are correctly, promptly and regularly assessed realised and credited to the account of the Fund of Panchayat Samiti and Zila Parishad. He should accordingly arrange to obtain from this subordinates or from all the sources, where revenue arises, monthly accounts and turns claiming credit for so much as has been paid into the Treasury or otherwise accounted for and cause them to be noted in the miscellaneous Demand Register in Form FBA-17

43. Checks to leakage of revenue. [Sections 78 and 115(1)]—(1) It is also the duty of the Executive Officer or Secretary to see that the revenue collected is correctly and promptly brought to account and there is no leakage. The Executive Officer or Secretary should see that all adequate measures are taken and may to achieve this end, arrange to have test inspections of the accounts of the receipts carried out.

(2) No amount due to the Panchayati Samiti or Zila Parishad shall be left outstanding without sufficient reasons and where such dues appear to be irrecoverable, the order of the competent authority for their adjustment, remission, reduction of demand or write off must be sought without any avoidable delay

44 Credit to follow actual realization. [Sections 78 and 115(1)]. No sum may be credited as revenue, unless it has actually been realized. The credit must follow and not precede the actual realization.

45. Refunds of revenue. [Sections 115(1)]—(1) Refund of money collected or credited into the Fund by mistake shall be made only on the demand of the person entitled to receive the money after producing proper authority and on no account will be drawn on the receipt of Executive Officer or Secretary and kept in the departmental Chest.

(2) Before admitting any demand for refund of such money, the original credit in the Cash Book and the relevant treasury challan must be traced or receipt duly linked, and an entry should distinctly be made in these documents of the sum ordered to be refunded so as to guard against double or erroneous entertainment of a second claim. When tax or fee is to be refunded a cross reference against the concerned entry shall also be given in the Demand and Collection Register.

46. Receipt of money at the office of the Pachayat Samiti or Zila Parishad.[Section 115(1)] When money is paid into the officer of the Panchayat Samiti or Zila parishad, it shall be accepted by the Executive Officer or Secretary, or any other person authorized by the Executive Officer or Secretary , in this behalf to receive the dues of the Panchayat Samiti or Zila Parishad, as the case may be.

47. Grant of Receipt. [Sections 115(1) and 115(2)(u)] A receipt in duplicate, shall be made out by carbon process, with and indelible pencil in Form FBA-18. The original will be given to the person paying the money and duplicate carbon copy retained in the officer as office copy. The Executive Officer or Secretary shall however, safety himself that the amount so received has been properly interred in the cash book . The receipt will be signed by the person authorized to do so by the Executive Officer or Secretary as the case may be.

48. Receipt Book.{Sections 115(1)and 115(2)(u)--} The Bank receipt Book will be kept under lock and key under the personal custody of the Executive Officer or Secretary as the case may be, the numbers of forms of the receipt book shall be counted and the result of the count indicated on the Receipt Book under the signature of Executive

Officer or Secretary as the case may be. before it is brought to use. The account of the receipt and issue of the Receipt Books shall be maintained separately in the Stock Register in Form FBA 19. The use up receipt books will be returned and their return will be watched in the Stock Register meant for the issue of receipt books.

49. Receipt of payment by cheque [sections 115(1) and 115(2)(u)]—If the payment is received by a cheque or demand draft, the Executive Officer or Secretary shall cause an entry of the cheque or demand draft to be made in the Register of Cheque and Drafts to be maintained in Form FBA-20 for the purpose. No receipt shall be given until the cheque or demand draft has been encashed. The cheques and the demand draft may, however, be acknowledged and final receipt of the amount be issued only when the amount is brought to account in the Cash Book . If the payment is received by a cheque drawn on the Treasury , it shall be endorsed by the Officer of Panchayat or Zila Parishad in whose favour it is drawn, with the words' Received payment by transfer credit to the Panchayat Samiti fund or Zila Parishad fund" before it is sent to the Treasury.

50. Receipt of money by Money Order.{Sections 115(1) and 115(2)(u)]—When money is received by Money order, entry of the amount received shall forthwith be made in the cash book and initialed by the Executive Officer or Secretary as the case me be. A separate receipt in the Form FBA-18 shall be issued wherever so required.

.51. Payment [Section 115(1)]—The drawing and disbursing officer, while incurring or authorizing expenditure out of the Fund shall observe the cannons of financial property which are given below:-

- (1)Every officer incurring or authorizing expenditure on behalf of the Panchayat Samiti or Zila Parishad should be guided by cannons of financial propriety . He is responsible for enforcing financial order of strict economy at every step.
- (2)Every officer is expected to exercise the same vigilance in respect of the expenditure incurred out of the Fund as person of ordinary prudence would exercise in respect of expenditure of his own money.
- (3)The expenditure should not prima facie be more than the occasion demands.
- (4)No authority should exercise its power of sanctioning expenditure to pass an order which will be directly or indirectly to

its own advantage.

(5) Money out of the Fund should not be utilized for the benefit of a particular person or section of the community unless:--

- (a) the amount of expenditure involved is insignificant, or
- (b) a claim for the amount could be enforced in a Court of law, or
- (c) the expenditure is in pursuance of a recognized policy or custom.

The amount of allowances granted to meet expenditure of a particular type should be so regulated that the allowances are not on the whole a source of profit to the recipients., Money indisputably payable should not, as far as possible, be left unpaid

52. Liability not to be incurred without budget provision.—[section 115(1)]—NO expenditure from the Fund shall be incurred , save as may otherwise be provided in these rules, unless.

- (1) the necessary budget provision to cover the charges exists; and
- (2) there exists a special or general sanction of the competent authority for the same

Note :--Mere existence of budget provision will not constitute an authority in itself to incur the expenditure

53. Control over expenditure.—[Sections 115(1) and 115(2)(t)]—(1) Care shall be taken not only to see that the total expenditure is kept within the limits of authorized *[an] appropriation but also that the funds allotted are spent in the interest and service of Panchayat Samiti or Zila Parishad, as the case may be, and upon the objects for which provision has been made in its budget. In order to exercise proper control over expenditure, the Executive Officer or Secretary , as the case may be, shall keep himself closely acquainted with the progress of expenditure, commitments made, and liability incurred but not paid.

(2) It is not sufficient that the accounts of drawing and disbursing officer should be correct to his satisfaction. He has to satisfy not only himself but also the Audit, that a claim which has been accepted is valid, that a voucher is a complete proof of payment which it supports and that the account is correct in all respects and could safely be produced as satisfactory and convincing evidence of facts, if required, in a Court of law

54. Voucher—[Sections 115(1)]—Every payment, including repayment of money previously lodged with the fund for whatever purpose must be supported by a voucher setting forth full and clear particulars and proper classification in the accounts. All claims for payment, as far as possible , be presented on prescribed form of the bill and where the claim net fails to do so, a separate bill in a proper form will be prepared by the officer of the Panchayat Samiti or Zila Parishad, as

the case may be, incurring the expenditure and the claimant's bill shall be attached to it as sub-voucher

55. Presentation of claims.—[Sections 115(1) and 115(2)(u)]—All claims for payment shall be presented at the officer of Panchayat Samiti or Zila Parishad as the case may be, where these shall first be entered in the Bill register to be maintained in Form FBA 21 then checked and examined in regard to their admissibility with reference to the sanction, agreements, arithmetical accuracy, etc. and passed for payment.

56. Pay order—[Sections 115(1) and 115(2)(u)].—(1) No payment shall be made for any voucher either in cash or by means of cheque unless it bears a pay order signed or initialed and dated in ink by the Executive Officer or Secretary, as the case may be, specifying the amount payable both in the words and figures.

(2) If the payment is required to be made in cash from departmental Chest, the payment order shall be recorded as under:—

' Pay by cash out of chest Rs. _____(Rupees)"

and for payments by means of cheque, the pay order shall run as under:--

"Pay by cheque Rs. _____(Rupees_____only)".

(3) The officer making a pay order shall be responsible to see that the claim is valid in all respects

57. Acknowledgement of payment.[Section 115(1)](1) Separate acknowledgement (stamped where necessary) shall be taken at the time of making payment and will be attached to the voucher concerned, except in the case of disbursement of pay of staff and allowances to members where payees receipts could be taken on the bill itself or the acquaintance roll. Where the payment is made to an illiterate person, the acknowledgement must be got attested by one or more witnesses.

(2) In the case of articles received by value payable post, the VP cover, together with the invoice or bill showing the details of items paid for may be regarded as a voucher. The disbursing officer should make a note on the cover to the effect that the payment was made through the Post Office and this will also cover charges for the postal commission.

(3) All paid vouchers shall be stamped 'paid' so as to avoid their being used for a second time.

58. Classification on bills and voucher: (Section 115(I) The Executive Officer or Secretary, as the case may be shall be responsible to see that proper classification has been recorded on the bills and vouchers before making Pay order thereon. A reference of the bill for which payment is made by means of cheques shall also be given on the back of the counter foil of the cheque to facilitate reference to the original voucher on which the charge has arisen.

59. Establishment bill. (Section 33,100,115(2) (u)- (1) Pay bills shall be prepared in Form FBA 22 A and FBA 22 B and will be supported by all or any of the following statements, as the case may be.

- (i) Absentee Statement in Form FBA-23 or certificate to the effect that no leave has been granted to any member of the establishment.
- (ii) Increment certificate in Form FBA-24 and
- (iii) Last pay certificate.

(2). Absentee statement or certificate of a leave shall invariably accompany all the monthly pay bills.

(3). Increment certificate and last pay certificate shall only be attached to the first bills in which the periodical increments and the ays of persons either transferred or lent to the Panchayat Samiti or Zila Parishad , as the case may be, are drawn.

(4) Except in the case of employees who have been dismissed or transferred or have resigned or died, the pay of any employee of the Panchayt Samiti or Zila Parishad, as the case may be, shall not be drawn before the first working day of the month following that in respect of which the pay has earned.

Provided that if the first three days of the following month are holidays the pay could be disbursed on the last working day of the month concerned with the prior approval of Government.

(5) The last payment of the employees pay and allowance in the event of his transfer, or quitting the service of the Panchayat Samiti or Zila Parishad either on resigning or for any other cause , shall not be made until it has been ascertained that there are no amounts or demands outstanding against him. A certificate to this effect signed by the Executive Officer or Secretary, as the case may be, shall be attached to the bill in which such claims are drawn.

Note: The pay bill of the employees holding posts carrying the pay scale, the minimum of which is not less than Rs. 250/- shall be prepared in Form FBA 22-B and in respect of other employees in Form FBA 22-A

60. Arrears to be drawn on a separate bill. {Section 33,100 and 115 (1) Arrear pay bill shall not be drawn in the monthly pay bill but in a separate bill in which reference shall be made to the previous bill (s) from which the charge was omitted or withheld or on which it was refunded by deduction or to any special order granting a new allowance consequent to which the claim has arisen. Such claims to pay and allowances above {Rs. 100} which are more than a year old shall be got 1{ sanction by the Pachayat Samiti or Zila Parishad as the case may be} after sanction to the investigation of claim has been accord by competent authority where required.

61. Fixed Traveling Allowance and Conveyance Allowance. {Sections 33,100 and 185(1)} Fixed traveling allowance and conveyance allowance shall be drawn in the pay bill and not on the traveling allowance bill of the officer

concerned. To every bill for the conveyance allowance , a certificate shall be attached that the conveyance was actually maintained in good order and used by the official concerned during the month under reference.

62. Deduction from pay.: {Section 33,100 and 115 (1)}. The Executive Officer or Secretary shall be responsible for making proper deductions from pay bills on account of Contributory Provident Fund, Insurance and other funds, income tax, house rent recoveries of advances, loan and overpayments and then to have these deductions accounted for in accordance with the rules according to which these have been made.

63. Acknowledgement of pay. {Sections,33,100 and 115(1)} The Executive Officer or Secretary, shall personally responsibly for the amount drawn on a bill signed by him till the amount is paid and legally valid receipt of the payee is obtained.

64. Last pay certificate:{Section,13,100 and 115()(u)}. In the event of transfer of any of the servants of the Panchayat Samiti or Zila Parishad, The Executive Officer or Secretary as the case may be, shall issue a last pay certificate to him in Form FBA 25

65. Establishment Check Register. { Section 33,100 and 115 (2)(u). In order to facilitate the check of establishment bills and to ensure that no charge is paid over twice, an establishment check register shall be maintained in Form FBA 26 in which the whole establishment of the Panchayat Samiti or Zila Parishad as the case may be, paid from the Fund, shall be recorded As soon as a fresh appointment of revision of establishment is made, it shall be entered in the register together with the number and date of sanction of the competent authority. Changes due to revision of establishment shall be initialed by the Executive Officer or Secretary, as the case may be. The pay in this register is required to be recorded under the month for which it was due and not that in which it was disbursed.

66. Traveling Allowances Bill. {Section 33, 100 and 115 (2)(u). Payment of traveling allowances to members of the Panchayat Samiti or Zila Parishad, as the case may be, shall be effected by means of traveling allowances bill from prescribed in the Punjab Panchayat Samitis and Zila Parishads non-official Members (Payment of Allowances) Rule,1961 and that to the employees in Form FBA 27.

67. Traveling Allowances Check Register. { Sections,33,100 and 115(2)(u). In ordered to avoid double payment of and claim, traveling allowance check register shall be maintained in Form FBA 28

68. Other Payments. {Section 115(2)(u) (1) The charges on account of grant in aid, scholarship and Stipends and other contingencies shall be paid by means of vouchers to be prepared in Form FBA 29, FBA 30 and FBA 31 respectively. (2) The account of postage stamps shall be kept in register in Form FBA 32 which should be attested by the Drawing and Disbursing Officer or in his absence by a subordinate authorised by him in the behalf.

CHAPTER VI

DEFALCATION AND LOSSES AND ABANDONMENTS OF CLAIM.

69. Reasonability for loss sustained through fraud. [Sections 36, 100 and 115(1)]—Every Officer of the Panchayat Samiti or Zila Parishad should realize fully and clearly that he will be held responsible not only for any loss sustained by the Panchayat or Zila Parishad through fraud or negligence on his part but also for the loss arising out of fraud or negligence on the part of any other servant to the extent to which it may be shown that he contributed to the loss by his own action or negligence.

70. Report of and enquiry into losses. [Sections 36, 100 and 115(1)]—(1) Whenever any loss of money, revenue or receipts, stamps, stores, etc., held by or on behalf of the Fund caused by defalcation or otherwise is discovered, it should immediately be reported to the Executive Officer or Secretary, as the case may be, as well as to the Government and the Examiner, even when such loss has been made good by the party responsible for it.

(2) If the loss be detected by audit in the first instance, the audit will report it immediately to Executive Officer or Secretary, as the case may be, and the Government.

(3) Any serious loss of immovable property by any natural calamities like fire, flood, earthquake, etc, shall also be reported to the Executive Officer or the Secretary, as the case may be, and to the Examiner and the Government.

(4) Such reports must be submitted as soon as it comes to notice that there has been a loss. They must not be delayed while detailed enquiries are made. When the matter has been fully investigated a further and complete report

should be submitted of the nature and the extent of loss showing the error or neglect of rules by which such loss was rendered possible and the prospect of effecting a recovery and punishment to be awarded to the defaulter and other persons who are responsible for contributory negligence.

(5) As soon reasonable suspicion arises that a criminal offence has been committed in the matter, the Executive Officer or Secretary, as the case may be shall lodge a report to the nearest Police Station for making investigation in the case

71. Recovery of over payments.—[Section 115(1)]—The Executive Officer or the Secretary as the case may be, shall be responsible for making prompt recovery of an over-payment made out of the Fund even though made in good faith; and while making recommendation, for waiving such recovery of special reasons, the fullset justification must be given in support thereof, i.e., practical impossibility of recover. Recovery of such over-payments may be waived only by the competent authority.

72. Write off.—[Sections 115(1) and 115(2)(u)]—(1) The Panchayat Samiti or Zila Parishad may sanction "write off" of the store rendered unserviceable in normal working or use [provided the same is*[-] first examined and certified to be so by the Executive Officer or the Secretary or any other officer appointed by the Panchayat Samiti ofr Zila Parishad as the case may be] Necessary entry to this effect shall also be made in the relevant stock register.

(2) (a) All other losses of money irrecoverable revenue loans advance or stores other than those referred to in sub-rule (i) above will be written off by the Panchayat Samiti or Zila Parishad[as the case may be].

(b) A list of all such amounts shall be prepared once half yearly and submitted to the Panchayat Samiti or Zila Parishad at its next meeting for consideration with the reasons and recommendation of the Executive Officer or Secretary to write off the same .

(c) The Executive Officer or the Secretary as the case may be, should see before making his recommendation that the defaulter has no attachable property with in the village or with in the jurisdiction of the Panchayat Samiti or Zila Parishad and that all means or recovery have been tries and found unsuccessful.

(3) In case where any loss is caused through fraud, forger, defalcation, serious negligence of any servant warranting disciplinary action or through flaw in rules and procedure requiring rectification or amendment, the Panchayat Samiti or Zila parishad as the case may be, will first review such a case and take appropriate disciplinary action before recommending the cases to the State Government of approval to 'Write off'.

(4) Necessary entry to this effect shall also be made in teh register of 'write off' in Form FBA-33 as well as in the Demand and Collection Register and on the counterfoil of the bill, where necessary

73. Grant of remission of revenue to lessees and contractors—[sections 115(2)(g) and (h)]. All lessees and other parsons who have entered into any contract with Panchayat Samiti or Zila Parishad, as the case may be, shall be bound by the terms or their leases or contracts and no remission shall be granted to them except in the following cases:-

(1) remission may be granted to lessees and contractors only in the case in which they are prevented from carrying out their part of lease or contract by reason of the occurrence of some extraordinary extrinsic causes which could not reasonably have been anticipated.

(2) the amount of remission granted shall not exceed the proportionate the amount payable under the lease or contract for the period for which the lessee or the contractor was prevented from carrying out his part of the lease or contractor on account of such extraordinary cause.

(3) penalties provided in the lease or contract shall be strictly enforced in accordance with the terms and conditions of the leases or contractors. Penalties for late payment of the amount due to the Panchayat Samiti or Zila Parishad under the lease or contract shall not be remitted except in the case where the payment of installments of the amount due are, in the opinion of the Panchayat Samiti or Zila Parishad as the case may be, fairly regular and the whole amount due to the Panchayat Samiti or Zila Parishad as the case may be, under lease or contract is paid before the end of the period to which the lease or contract relates; and

(4) the remission under sub-rules (2) and (3) also will be sanctioned by the Panchayat Samiti or Zila Parishad as the case may be, only with the prior approval of the Government.

CHAPTER VII

DEPOSITS

74. Deposits.—[Section 115(1)]—Deposits may be received by the Panchayat Samiti or Zila Parishad either in cash or in interest bearing securities on the following account:--

- (1) Security money of cashiers and store-keepers for their handling cash or stores;
- (2) Earnest money of the intending tenders;
- (3) Security money of contractors for fulfillment of their contract;

(b) Other deposits for sums which cannot be brought to account under any revenue head.

75. Security Deposits.—[Section 115(1)]—(1) Every subordinate or Cashier or Store-keeper or Panchayat Samiti or Zila Parishad as the case may be, who shall be required to handle cash or stores, shall furnish security to be fixed by the Executive Officer or Secretary, as the case may be. The amount of the security shall be fixed according to the Government instruction as available in this behalf failing which according to the circumstances and local conditions. When an official who was furnished security takes regular leave or is deputed to other duty, the official who is appointed to officiate for him should be required to furnish the full amount of security prescribed for the post, unless a competent authority on valid reasons which must be recorded has authorized a relaxation of the rules regarding security applicable to his case.

(2) Whenever a private person or firm contracts to supply stores or execute a work, he or it should, unless exempted by the Panchayat Samiti or Zila Parishad as the case may be, to do so, be required to give security for the fulfillments of his or its contract and a suitable provision regarding security should be incorporated in the agreement.

(3) When any earnest money in cash is received along with tenders it will be treated as deposit received by the Panchayat Samiti or Zila Parishad as the case may be, and shall be brought to account immediately unless the Panchayat Samiti or Zila Parishad , with the sanction of the Government allow such money to remain in the custody of an official authorised by it in the behalf. In that case only sums tendered by the contractors whose tenders have been accepted shall eventually be brought to account. The earnest money received from contractors whose tenders have not accepted shall forthwith be repaid to them obtaining proper acknowledgement. No interest will be paid by the Panchayat Samiti or Zila Parishad on deposits in cash. Security furnished in cash by an employee of a Panchayat Samiti or Zila Parishad , or a contractor may be converted, at the cost of the Depositor, into any of the interest bearing securities; provided that:

- (i) the depositor has expressly requested in writing that his be done;
- (ii) that the acceptance of the new form of security is permissible under the rules and under terms of agreement or bond.

Notes.(1) Cash actually received may be converted into an interest bearing security even when it forms part of a deposit which is being paid in installments and has not yet been realised in full.

(2) Percentage deduction made from a contractor's bills held security for the due fulfillment of a contract should not be converted into any other form of security unless there are special orders or the competent authority for such conversion.

(3) A security deposit taken from an employee of the Panchayat Samiti or Zila Parishad should be retained for at least six months from the date when he vacates his post.

(4) Without special orders of the competent authority no security deposit shall be repaid, or retransferred to the depositor or otherwise disposed of except in accordance with the terms of his security or agreement. When an interest-bearing security is returned or retransferred the acknowledgement should set-forth full particulars of the security.

(5) The percentage deductions from bills held as security in connection with contracts *[executive] works should not be refunded till the final bill has been prepared and passed.

76. Refund of deposits.—Sections 115(1) and 115(2)(u) .—Refund of deposits in cash should be made on voucher in Form FBA34. They shall be passed for payment only when the Executive Officer or Secretary as the case may be, has satisfied himself by a reference tot he original entry in the Deposit Register that the deposit is actually outstanding which fact should also be certified by the Accountant on the voucher.

77. Register of deposits –[Sections 115(2)(u).—(1) A register of deposits in cash received by the Panchayat Samiti or Zila Parishad shall be maintained in Form FBA35. Separate sets of pages will be set aside for each of the classes of deposits referred to above.

(2) A separate register of the receipt and disposal of interest bearing securities should also be kept.

78. Lapsed Deposits—[Sections 115(1)and 115(2)(u)]—(1) At the end of each year any deposit not exceeding five rupees unclaimed for one whole year, balances not exceeding five rupees of deposits partly repaid during the year then closing and all balances unclaimed for more than three complete account years from the date on which they become payable, shall at the close of March, each year be credited to the revenue of the Panchayat Samiti or Zila Parishad, as the case may be.

(2) The deposits lapsed should be noted in the Register of deposited lapsed.

(3) Deposits credited to Revenue cannot be repaid without the sanction of the competent authority who shall before giving sanction to determine that the item was really received and was carried to the credit of Revenue as lapsed and that the claimant's identity and title to money are certified by the officer signing the application for refund.

(4) The amount of the lapsed deposit refunded will, however, be charged in the Cash Book as refunded. The repayment of a lapsed deposit shall also be recorded in the Register of lapsed deposits in Form FBA.36 so as to guard against second payment.

79. Submission of deposit returns.—sections 115(a)—A list of depositors with balances outstanding to the credit of their accounts at the end of the year shall be prepared and enclosed with the statement of the sets and liabilities.

CHAPTER VIII

CONTRACT

80. General rules and principles relating to contractor.—Sections 32(1)(d)115(1) and 115(2)(v)].—The Panchayat Samiti or Zila Parishad shall keep the following principles in view while entering into contracts or agreements affecting the Fund.

(1)(a) Every contract made by the Panchayat Samiti or Zila Parishad for any sum or property of an amount of value exceeding fifty rupees shall be in writing and shall be signed on behalf of the Panchayat Samiti or Zila Parishad by the Executive Officer or Secretary as the case may be; provided that the sanction to the incurring of expenditure involved has been accorded by the competent authority.

(b) Even in the cases, where a formal written contract is not made no order for supplies should be placed without at least a written agreement as to the price and quality of supplies.

(2) The terms of the contract must be precise and definite and must have the prior approval of the Panchayat Samiti or Zila Parishad, as the case may be, and there must be no room for ambiguity or misconstruction therein.

(3) As far as possible, the contract may not endure more than a period of two years it should invariably include provision for unconditional power of revocation, or cancellation by the Panchayat Samiti or Zila Parishad at any time on the expiry of six months notice to that effect.,

(4) Standard form of contract as are in use in the various Departments of the State Government for various purposes should be adopted wherever possible, and their terms should be subjected to adequate prior security

(5) The terms of contract, once entered into, should not be varied with out the previous consent of the competent authority . No payment to a contractor by way way of compensation or otherwise outside the strict terms of contract or in excess of the contract rates may be authoirised without the prior approval of the competent authority.

(6) No contract involving an uncertain or indefinite liability or any condition of an unusual character should be interred

into.

(7) Provision must be made in eontracts for safeguarding Panchayat Samiti or Zila Parishad property entrusted to a contractor.

(8) As far as possible expert legal and financial advice should be taken while drafting the deed and before it is finally entered into, especially when the amount of the contract exceeds Rs. 10,000 so as to avoid any complication at a later stage.

(9)(a) Whenever practicable and advantageous, contract should be entered into only after tenders have been openly invited.

(b) The Panchayat Samiti or Zila Parishad, as the case may be, will determine up to what limit, not exceeding [Rs 500],tenders may be dispensed with. In such cases the purchase shall be made at the lowest market rates by inviting quotations, which shall be kept on record for audit purposes.

(c) When tenders are invited, they shall be tabulated and scrutinized by Executive officer of Secretary, as the case may be , and then placed before the Panchayat Samiti or Zila Parishad with his recommendation for orders.

(d) The lowest tender shall ordinarily be accepted. Where for vaild reasons, it is not considered desirable to accept the lowest tender, the reasons

therefore, shall be clearly recorded and made available for purposes of audit.

Note:--Where the lowest tender is in respect of more than one article the comparative prices tendered may be considered either individually for each article or conjointly for all the articles or for specified groups of articles; provided that the intention of the Panchayat Samiti or Zila parishad to accept the lowest tender in any of these ways is made clear in the tender notice. If the tender is considered conjointly for all the articles in each group the cost of all the articles in each group, shall be worked out with reference to the rates given in each tender and the lowest tender will be that according to which the total cost of the probable re-quirements of all the articles proposed to be taken together works out to be the lowest.

- (e) The Panchayat Samiti or Zila Parishad reserve the right to accept the tender item wise, group wise or as a whole, which fact will be made clear in the tender notice and the tenderer shall be bound to supply the goods accordingly. In case he fails to supply the goods the earnest money deposited by him shall be forfeited.
- (f) Where the capacity to supply or the integrity of a tenderer, not otherwise blacklisted, is not known or where they are doubtful, his tender need not necessarily be rejected but such additional security as the Panchayat Samiti or Zila Parishad considers necessary shall, however, be taken from the tenderer.
- (g) Where the lowest tender is rejected, the next higher tender shall be accepted, unless adequate reasons are recorded for rejecting that tender also.
- (h) In no case shall a tender be accepted at rates other than those specified in that tender.
- (i) There shall be no avoidable delay in the disposal of the tenders after they are opened.
- (j) Tenders shall be invited by the Executive Officer or Secretary as the case may be, in sealed covers in the most open and public manner possible, and invariably,--
- (i) by a notice in the regional language of the district posted at the office of the Panchayat Samiti or Zila Parishad, and at such other places as the Executive Officer or Secretary, as the case may be, may deem fit.
 - (ii) by the advertisement in at least one newspaper circulating in the district, where the cost is expected to exceed Rs.500.
 - (iii) every notice or advertisement published under sub-clause(i) shall state inter alia-
 - (1) the conditions under which, the officer from whom, and the price, if any, for which a copy of the schedule or quantities of the various kinds of articles can be obtained if they cannot be mentioned in detail in the notice or advertisement itself;
 - (2) the precise form in which the tender shall be made, i.e., whether the prices for the various articles are to be quoted

and whether the comparative value of the tender will be examined with reference to each article mentioned in the Schedule of quantities or for all articles conjointly or for groups of such articles;

(3) the time and place for presenting the tenders allowing a period of at least fifteen days from the date of publication of the notice at the office of the Panchayat Samiti or Zila Parishad, as the case may be, or in cases falling

. under sub-clause (ii) of clause(j) appearance of the first advertisement in the newspaper;

(4) the time and place for opening the tenders;

(5) the amount of earnest money to accompany the tender and the amount and the nature of the security which will be required in case the tender is accepted;

(6) the authority competent to accept the tender;

(7) that the authority competent to accept the tender

(8) that a tenderer who has withdrawn his tender, without valid reasons (to be decided by the authority competent to accept the tenders) shall be liable to have his subsequent tenders summarily rejected..

CHAPTER IX

Stores

81. Stores—[Sections 80 and 97]—(1) The term 'Stores' includes all articles and materials purchased or otherwise required for the use of or in the service of Panchayat Samiti or Zila Parishad, whether these are consumable like articles of stationery, etc., or non-consumable like instruments, furniture, etc.

(2) The expenditure on stores is included in contingent expenditure and is debited to specific works or purchases for which stores are purchased.

(3) Where similar provisions have been made for stores under the Panchayati Raj Public works Stores Rules and under this chapter the Stores purchased for Panchayati Raj Public works will be governed by the former set of Rules

82. Purchases—[Sections 80, 97 and 115(2)(t)].—(Stores shall be purchased according to definite requirements and should not ordinarily be purchased in very large quantities when not required to be utilised immediately, or in dribbles in order to avoid taking sanction from higher authorities.

(2) Stores shall ordinarily be purchased from the suppliers and at the contract rates to be indicated by Government from time to time. The Panchayat Samiti or Zila Parishad concerned should approach the suppliers direct indicating specific requirements and giving the supplier a date by which the articles of stores shall be supplied but not less than ten days notice shall be given

(3) When the supplier is unable to supply by the specified date or when the stores are very urgently required and it would be more convenient and without much extra expenses to purchase stores from the open market tenders or quotations should be invited and stores should be purchased ordinarily from the lowest tenderers. Reasons for purchasing from the open market under this rule should be recorded in writing and where the lowest tender is not accepted. full explanation should be given in writing which should be available to audit while auditing the accounts:

Provided that no such explanation would be necessary when stores being purchased are worth less than Rs. (500) and the purchase are made at the usual market rate.

(4) (i) Articles of stationery should be obtained from the Controller of Printing and stationer, Punjab against payment in cash or cheque; provided that purchase of articles of stationery up to maximum of [one hundred rupees] per month may be made locally in cases of unforeseen contingencies under orders of Chairman, Panchayat Samiti or Zila Parishad, as the case may be, who shall record the reasons for such purchase in writing .

(ii) The forms and registers prescribed under Punjab Panchayat Samiti and Zila Parishad Act,1961, and Rules made there under or other necessary forms and registers may be got printed by the Zila Parishad for its own office and for the office of the Panchayat Samiti under its authority, after inviting quotations/tenders. The expenditure on this account should be borne proportionately by the Zila parishad and the Panchayat Samitis concerned.

(5) Those articles of stores for which Government has fixed the price should in no case be purchased at a price higher than that fixed by Government.

(6)_ It shall be the duty of the Chairman, Panchayat Samiti or Zila Parishad as the case may be, to have indents prepared and scrutinized in the light of the general principles enunciated in sub-rules(1)

83. Receipt of Stores.—[Sections 83 and 115(1).—All stores when received shall be examined, counted, measured or weighed, as the case may be, at the time of taking delivery and shall be entered in the stock register immediately. A certificate shall be given at the end of the entries for any single day by the official incharge of stores stating that the stores have been received in proper condition and according to specifications. Surplus, if any, shall be indicated as additional receipt and shortage, if any, shall be indicated in red ink.

84. Issue.[Sections 83 and 115(1)] –Articles of stores shall be issued against proper indents and written acknowledgement shall be obtained from the person to whom the stores have been ordered to be issued [by the Secretary or Executive Officer or eh Head of the institution as the case may be].Where the indents are modified, the indenting officer or official shall be informed of the modification.

85. Storage.[Sections 83 and 115(1)]. The officer or official entrusted with the custody of stores of any kind shall be personally responsible of arranging for their safe Custody for keeping them in good and efficient condition and for protecting them from damage or deterioration. Any loss or damage shall be immediately brought to the notice of the Executive Officer or Secretary as the case may be.

86. Accounts of Stores.[Sections 83 and 115(2)(4).—(1)The officer or official incharge of stores shall maintain the following registers:--

- (a) Stock register of non-consumable articles in Form FBA-37.
- (b) Stock register of consumable articles other than stationery and printed material in Form FBA 38.
- (c) Register of printed material in Form FBA 39
- (d) Stationery register in Form FBA 40.

He shall also be responsible for preparing an half yearly and annual return showing receipt and consumption of stores.

(2) Stock account and inventories for consumable and non-consumable articles shall be maintained, separately.

87. Physical verification [Section83 and 115(1)].—(1) A physical verification of all stores shall be made by the Secretary or Executive Officer as the case may be, at least once in six months an invariably in April every year. The result of the verification shall be recorded in writing. During the verification in April, the condition of each article shall be indicated against it in the Stock Register.

(2) Any discrepancies noticed shall be indicated in relevant Stock Register, the surplus being treated as additional receipt and the shortage being indicated in red ink. The cost of shortage shall be recovered or got written off after proper investigation, under orders of the competent authority . The articles of stores which are found to have become useless or obsolete or have been rendered surplus and cannot be put to any profitable use, shall immediately be reported to the competent authority for sanctioning disposal by auction or write off, as the case may be.

(3) The competent authority shall ensure that in explaining discrepancies losses are not adjusted against surplus stores.

CHAPTER X CATTLE POUNDS

88. Admission of animals. [Sections 41(1)—7(ix),115(1), and 115(1)(u)—(1) On the admission of an animal to pound, the pound-keeper shall fill up columns 1 to 8 of a pound Register to be maintained in Form FBA 41, taking the signature or thumb mark of the person impounding the animals in column 7 and shall then issue a receipt for the impounded animal in Form FBA 42.

(2) Each animal admitted shall ordinarily be entered on a separate line in the pound register. In the case, however, of large flocks of herds admitted at one time, a discretion is left to the pound –keeper in this respect.

89. Release of animals. [sections 41(1)—7(is),115(1) and 115(2)(u)—(1) When the owner of an impounded animal or his agent appears to demand the release of his animal, the pound keeper shall make the necessary entries in column 9 to 16 of the Pound-Register and fill up a release pass with its counterfoil in Form FBA43. He shall then demand the fines and charges due on account of the impounded animal and on their receipt shall take the signatures or thumb-mark of the owner or his agent in column 2- of the Pound Register and the signature or thumb-mark of some person who can identify the person claiming the animal as the owner thereof or his agent, as the case may be, in column 21 and shall then release the impounded animal.

(2) The progressive total of the sums received shall be entered at the foot of each counterfoil of the Release Passes at the time when the counterfoil is filed up and the pass issued, and the entering of the total shall not be deferred till the end of the day

90. Sale of animals.[Sections 41(1)—7(is),115(1) and 115(2)(u)—(1) When a pound is directly managed by the Panchayat

Samiti, every sale of impounded animal shall be conducted under direct supervision of the Executive Officer or of a member as the Panchayat Samit or of such other person as the Panchayat Samiti may appoint in this behalf.

(2) The pound-keeper shall attend every sale of impounded animals unless exempted from such attendance by general or special orders of the Panchayat Samiti on the ground that his attendance would prejudice his other duties. He shall take with him his pound register and his counterfoil book of receipts for the purchasers of the impounded animals sold in Form FBA 44.

(3) When under the provisions of sub-rule(2), the pound-keeper does not attend a sale, the officer conducting the sale shall give to the purchaser of the impounded animals a receipt in Form FBA 44, and shall remit to the treasury with a challan in Form FBA 3, the amount of sale proceeds, if any, and shall send to the pound keeper--

(a) the two foils of the challan received back from the treasury duly singend to be dealt with as provided for in rule 95;and

(b) a memorandum showing—

(i) the number and description of animals sold

(ii) the date on which sold;

(iii) the names and addresses of the purchasers;

(iv) the amount for which sold ;and

(v) the number of animals, if any, returned unsold;-

Provided that if the animals sold have been impounded otherwise than under Chapter III of the Cattle Trespass Act,1871, the officer conducting the sale shall not remit the amount in respect of such animals to the treasury, but shall send it to the pound-keeper together with the memorandum specified in clause(b) of this sub-rule.

91. Receipt to be issued—[Section 41(1)—7(is),115(1) and 11(2)(u)]—When impounded animals are sold, the pound keeper shall, if he has attended the sale, enter the details of sale in the Pound-Register and give to the purchaser of such animals a receipt in Form FBA 44

92. Memorandum Showing disposal of proceeds of sale.—[Section 41(1)—7(is),115(1) and 115(2)(u)—When impounded animals have been sold under the authority of section 14 or section 16 of the Cattle Trespass Act,1871, the account to be delivered to the owner as required by that section, shall be drawn up by the Pound-keeper in form of a memorandum in Form FBA 45 and the receipt referred to in section 16 of the said Act shall be taken in the last column of the counterfoil

93. Net sale proceeds to be sent to Court.—[sections 41(1)—7(ix),115(1) and 115(2) (u).—When animals impounded otherwise than under Chapter III of the Cattle Tress-Press Act,1871 have been sold, the pound keeper shall fill up a memorandum in the same manner as prescribed in Rule 92, but the sale proceeds, after deduction of the fines leviable,

the expenses of feeding and watering and expenses of sale, if any, shall be made over to the court or officer under whose authority the sale was ordered. The words 'authorizing officer or his agent 'being substituted for owner wherever the letter occurs in the memorandum in Form FBA 45.

94. Sums received on behalf of the Panchayat Samiti –[Sections 41(1)-115 and 115(2)(u)] The Pound –keeper shall, immediately on receipt, add to the last progressive total entered in the counter-foil of release pass all sums received by him on behalf of the Panchayat Samiti on account of impounded cattle sold, and also the amounts remitted direct to the treasury by the officer conducting the sale in accordance with the provisions on rule 90(2).

95. Remittances of pound collections to Treasury [Sections 41(1)115(1) and 115(2)(u)].—(1) At such times as may be fixed by Panchayat Samiti, but at least once a month the pound –keeper shall remit his collections to the Treasury with a challan in Form FBA 3. Of the two foils of the challan received back from the treasury duly signed, one shall be pasted in the Release Pass Book as evidence of the remittance having been made, and the other shall be sent to the Executive Officer of the Panchayat, Samiti to enable of the remittance having been made, and the other shall be sent to the Executive Officer of the Panchayat Samiti to enable him to enter the amount in his Cash Book.

(2) The challan submitted under sub-rule(1) shall specify—

- (1) Net sale-proceeds of unclaimed cattle,
- (2) other receipts.

Explanation.—The amount shown under head (1) shall be the sums entered in column 18 of Form FBA 41 as 'surplus credited to account'.

(3) The Panchayat Samiti shall arrange for the remittance of the collections money orders in cases where this course is necessary in order to avoid interruption in the pound-keeper's duties. Explanation. --Charges for feeding and water appropriated by the pound-keeper, the balance of the purchase money under section 16 of Cattle Trespass Act, and the net sale-proceeds under rule 93, not received on behalf of the Panchayat Samiti .

(4) The collections shall be accounted for by the Panchayat Samiti in its monthly account in Form FBA-8 under head 'Suspense' and credited to the provincial revenues under head " LII-Miscellaneous" at the end of each month when the monthly account is closed, after deducting the amount paid, if any, to the owners of the impounded cattle under section 17 of the Cattle Trespass Act, 1871

96. Claims for sale proceeds of sale of unclaimed animals.[Sections 41(1)7(ix) and 115(1)]—(1) When a claim is preferred under section 17 of the Cattle Trespass Act, 1871, to any sum credited as the net sale proceeds of unclaimed cattle, the original credit shall be traced in the Pound Register and if, on investigation the claim is established, the amount repayable shall be paid under written orders of the Panchayat Samiti and the payment shall be brought to account direct in the Cash

<p>Book . The fact of the payments and the number and date of the payment voucher shall be noted in the remarks column of the Pound Register against the entry of the original credit.</p> <p>(2) No claim for refund of the net sale proceeds of unclaimed animals shall be entertained if it is preferred and established after the expiry of the months from the date of the sale.</p> <p>(3) When an investigation into a claim cannot be undertaken by the Panchayat Samiti, it may, at the request of the Panchayat Samiti be made through the District Magistrate</p>
<p>97. Feeding and watering of animals.[Sections 41(1)7(is) and 115(1)]—(1) The Panchayat Samiti give an advance, not exceeding the rupees, the pound keeper for the purpose of feeding impounded animals.</p> <p>(2) The charges of feeding and watering different classes of animals shall be fixed by the Panchayat Samiti , from time to time ast such rates that the receipts from this source do not exceed the actual cost of feeding and the receipts from this source do not exceed the actual cost of feeding and watering, provided that half the daily charges for feeding shall be recovered when an animal has been in the pound for less than eight hours, provided that no feeding charge shall be recovered from the owner of an animal impounded after the hours fixed for feeding and if released before the next.</p>
<p>98. Inspection of pound.[Sections 41(1)7(ix), 115(1) and 115(2)(s)] A pound under the management of a Panchayat Samiti shall be open to inspection by any member of the Panchayat Samiti, the Executive Officer, the Taxation Officer or a Tax Collector of the Panchayat Samiti and also by the Government audit staff. The Executive Officer of the Panchayat Samiti shall ensure that every cattle pound is inspected at least once a quarter and the result of inspection recorded in an Inspection Book to be kept at the pound. A copy thereof shall be submitted by the Inspecting Officer tot he Chairman of the Panchayat Samiti for his information and action, if any.</p>
<p>99. Pound ledger to be maintained.[Sections 41(1) 7(is) and 115(2)(u) A pound Ledger in Form FBA 46 shall be maintained in the office of Panchayat Samiti, a separate page being assigned to each pound, in which shall be shown all expenditure on each pound, and at the end of the year a statement shall be complied by the Executive Officer and laid before the Panchayat Samiti showing the net loss or gain to the Panchayat Samiti during the year from each pound</p>

- (a) investments; and
- (b) store, stock and other property.

(3) In addition to the ordinary audit, higher audit shall also be conducted by the Auditor with reference to the following cannons of financial propriety;--

(1) Every Public Officer should exercise the same vigilance in respect of expenditure incurred from the public funds as a person of ordinary prudence would exercise in respect of the expenditure of his own money.

(2) Money borrowed on the security of allocated revenue should be expended on those objects only for which, as provided by rules made under the Act, money may be so borrowed. If the money is utilized on works which are not productive arrangements should be made for the amortization of the debt.

(3) No authority should pass an order in the exercise of its powers of sanctioning expenditure, which will be, directly or indirectly, to its own advantage.

(4) Public funds should not be utilized for the benefit of a particular person or section of the community unless;

- (a) the amount of expenditure involved is insignificant, or
- (b) a claim for the amount could be enforced in a court of law, or
- (c) the expenditure is in pursuance of recognized policy or custom.

(5) The amount of allowances such as traveling allowances granted to meet expenditure of a particular type, should be so regulated that the allowances are not on the whole sources of profit to the recipients.

Without prejudice to the other audit functions, a list of the more important matters that may be taken up in higher audit is given below:

- (a) Examination of Administration Reports dealing with public expenditure.
- (b) Scrutiny of orders delegating financial authority .

Scrutiny of Rules and Orders affecting expenditure and other transactions subject to audit.

- (c) Scrutiny of the financial position and suggestions for increasing income or reducing expenditure for maintaining equilibrium.
- (d) Scrutiny of outstanding realisations and collection of information from the assesses to ensure the correctness of the arrears.
- (e) Scrutiny of refunds or rates and taxes to ensure that there is no leakage of revenue.
- (f) Scrutiny of expenditure with a view to see that it is necessary and to make suggestions designed to stop extravagant expenditure.
- (g) In order to see that the travelling allowances bills are not made source of profit—

- (h) Scrutiny of bills of Heads of Departments and other officers who countersign their own bills with special regard to the necessity and frequency of journeys and halts to see if they show any special feature which cannot be objected to in the ordinary audit.
- (ii) Scrutiny of all travelling allowances bills particularly journeys by motor with a view to checking excessive demands.
- (iii) Scrutiny of countersignatures on bills to show if the Controlling Officer is not showing undue laxity;
- (iv) Suggestion for transfer of headquarters in order to effect economy in travelling allowances charges and to facilitate the work of officers concerned.
- (v) Scrutiny of actual expenses on account of hire of conveyances and other charges with a view to fixing a suitable monthly allowance;
- (vi) Scrutiny of frequent bills for short journeys.
- (i) Scrutiny of bills for pay and allowances with a view to see that the allowances or scales of pay are not excessive in comparison with that of similar posts under Government or in adjoining local bodies;
- (i) As regards supplies and services—
 - (i) the instance of calls for tenders being made before contractors are given and on comparison of local rates with those at important trade centers before placing order;
 - (ii) comparison of rates in the neighbouring localities for the supply obtained and contracts entered.
 - (iii) in cases of water and electric supplies and other similar works, the comparison of quantity of the work done with the consumption of fuel.

Scrutiny of water-supply, electricity and other contingent charges with a view to suggesting the possibility of effecting economy.]

102-A. Unspent Government Grants to be credited to the Government. [Sections 83 and 115(2)(j)]. – On the authority of a requisition issued by the Examiner, the Treasury Officer, Manager or Agent of the Bank, with which the Zila Parishad or Panchayat Samiti conducts business, shall credit to the Government, the balance of Government grants which remain unspent for more than three complete financial years including the year in which the grant is received

103. Adoption of system of pre-audit or that of test-check.—[Sections 83 and 115(2)(j)].—It will be for the Government to determine in consultation with the Auditor whether a system of pre-audit or test check is to be adopted in respect of the accounts of Panchayat Samiti or Zila Parishads. The orders of the Government in this respect shall be final .

104 Inspection Reports [Sections 83 and 115(2)(j)]—The Auditor, as a result of audit shall prepare an Inspection Report on the accounts of the Panchayat Samiti and Zila Parishad, as the case may be . A copy of the Inspection Report of the Panchayat Samiti shall be sent to the Executive Officer and Secretary and the Government and that of the Zila Parishad shall be sent to the secretary and the Government. The inspection report shall bring out in a concise way the important irregularities detected by him. The unimportant and minor objections may be settled by the Auditor at the spot by discussion with the Executive Officer or Secretary or through an objection statement which shall be handed over, at the end of audit, to the Executive Officer or Secretary, as the case may be

105. Disposal of inspection reports.—[Sections 83 and 115(2)(j)]—The Executive Officer or Secretary , as the case may be, shall attend to the Inspection Report and the statement of minor objections promptly, but in no case delay the despatch of reply to the Auditor beyond six weeks in the case of a inspection Report and two weeks in the case of objection statement from the date of its receipt Acopy of the reply tot he Inspection Report shall be forwarded to the Auditor as well as to the authorities to whom the Inspection Report has been issued for keeping a watch on the progress of their clearance.

106. Settlement of Audit Objections.—[Sections 83 and 115(2)(j)]—An audit objection shall be removed after the requirements of the audit are fulfilled or sanction of the competent authority is accorded as desired by the Auditor in his Inspection Report. An audit objections shall be considered to have been final settled only if so agreed by the Auditor.

107. Progress Report of Pending objections—[Sections 83 and 115(2)(j)]—A half yearly progress report on the settlement of pending objections shall be sent, in duplicate, by the Executive officer or Secretary, as the case may be, to the Examiner so as to reach him not later than the end of the month following the half year to which it pertains . The Examiner shall compare it with his books in order to ensure that no pending objections has been left out of the statement ; and in case there be such left out he shall cause it to be added in the list and shall forward a copy thereof to the Government with his observations

108. Utilisation certificates.—The utilisation certificated in respect of the grant-in-aid placed at the disposal of the Panchayat Samiti or Zila Parishad, as the case maybe, by the Government under sections ,4243 and 93 of the Act, shall be furnished to the Accountant-General, Punjab by the Government ,based on the audit conducted by the Examiner]

109. Maintenance of Records of Inspection Report.—[Sections 83 and 115(2)(i).and 115(2)(u).—The Panchayat Samiti and Zila Prishad shall maintain a register in Form FBA 47 showing the receipt and disposal of the inspection

Reports issued by the Auditor in order to watch their proper disposal. In case the Auditor feels the necessary of maintenance, by the Panchayat Samitis or Zila parishad, of another register or records in this behalf, he shall approach the Government for the purpose and the Government may order its maintenance

110. Audit Report—[Sections 83 and 115(2)(j)].—(1) The Auditor, as a result of his audit, shall prepare an audit report on the annual accounts of Panchayat Samiti and Zila Prishad which shall be appended to their annual accounts. The Audit Report shall inter alia bring out the true financial picture as on the last working day of the financial year to which it pertains. This Audit Report, along with annual accounts of the Panchayat Samiti or Zila Parishad, as the case may be, for such action as may be deemed necessary by them.

(2) The annual accounts of the Panchayat Samiti and audit report thereon shall be examined and discussed by the Public Accounts Committee of the Zila Parishad separately constituted by the Government for the purpose; and the annual accounts of Zila Prishad, along with the audit reports thereon, shall be examined and discussed by the public Accounts Committee separately constituted by the Government for the purpose at divisional level

111 Recommendation of the Public Accounts Committee[Sections 83 and 115(2)(j)] The recommendation of the Zila Prishad Public Accounts Committee shall be binding on the Panchayat Samiti and those of the divisional level Accounts Committee on the Zila Prishads. The government shall exercise an overall supervision of the work of these committees.

112. Payment of audit fee.[Sections 83 and 115(2)(j)].—(1) The Panchayat Samiti or Zila Parishad as the case may be, shall pay to the Auditor the cost of Audit, unless otherwise ordered by the Government, for conducting the Audit of their accounts. The cost of Audit shall be determined by the Government in consultation with the Auditor, from time to time.

(2) The audit fee may be paid by the Panchayat [Samiti] or Zila Parishad into the Treasury by crediting the amount under the appropriate receipt head:

Provided that the Examiner may direct the Bank or the Treasury where the samiti Fund or Zila Prishad Fund, as the case may be, is kept, to transfer to the account of the Government the amount of audit fee due from the Panchayat Samiti or Zila Parishad .]

113. Internal Check.[Sections 83 and 115(2)(j)]. In order to exercise a proper control over the Panchayat Samiti or Zila Parishad in financial matters, the Government may introduce a system of internal check and inspections of their accounts by its departmental officials. Internal check and inspection of the accounts are essential in view of the fact that the Panchayat Samiti or Zila Parishad are to function as agents of the Government for the execution of the Scheme so that it

is ensured by Government for the execution of the scheme so that it is ensured by Government that accounts of the moneys allotted to them are properly maintained. Government may depute any of its officials (hereinafter referred to as departmental officers) to carry out the work of internal check or inspection of the accounts of Panchayat Samiti or Zila Parishad, as the case maybe, in the manner and to the extent deemed necessary.

114. The scope of internal check and inspections.[Sections 83 and 115(2)(j)]. It shall be the primary responsibility of the official carrying out the internal check or inspection to give guidance to the persons concerned in the proper maintenance of accounts and also to help them in the clearance of audit objections raised by the Auditor in his Inspection Reports The departmental officials in the course of internal check and inspection of accounts will be entitled to make such queries and observations and to call thereto as may be necessary , and the Panchayat Samiti or Zila Parishad as the case may be, shall make arrangements for the supply thereof. The scope of internal check and inspection of the accounts shall interalia extend to see that-

- (i) all the registers prescribed for various purposes particularly for grant –in-aid and loan if any received from Government and their further utilisation have duly been opened and maintained in accordance with the rules;
- (ii) all items of revenues and other dues which have to be brought to account are correctly and promptly assessed, realised and credited to the accounts of the panchayat Samiti Zila Parishad concerned;
- (iii) the initial accounts of demand have been properly prepared and all items of demand have been entered in the accounts and that the demand arrived at in the case of taxes and fees is generally correct and that adequate steps have been taken to enforce recovery ;
- (iv) demand, collection and balance statements are regularly prepared and agreed with the subsidiary registers of demand and collections
- (v) no amount due to Panchayat Samiti or Zila Parishad is left outstanding in its books without sufficient reasons;
- (vi) a proper watch is kept over the growth of revenue by obtaining supplementary lists of persons or property liable to be taxes;
- (vii) the write off is supported by competent sanction and there is a record to show that the items are really irrecoverable;
- (viii) the arrears have been transferred at the end of the year to an arrear demand register;
- (ix) the bills issued for collection are in prescribed form, serially numbered and the stock account of bill books, receipt books, etc., are properly maintained;
- (x) all properties usually leased or liable for lease have been leased out;

- (xi) an agreement or contract wherever it is necessary, has been entered into setting forth the conditions of agreement or contracts;
- (xii) security has been taken for the due fulfilment of the terms of the lease, agreement or contract;
- (xiii) the funds have been expended only on the purpose authorised by the Act or the rules;
- (xiv) the money made available for the expenditure have been provided for in the manner
- (xv) due regard to the Government share and public contribution has been kept in formulating and executing the schemes under sections 42 and 43.
- (xvi) the sanction (technical, administrative or financial) either special or general of the authority competent to sanction expenditure has been obtained;
- (xvii) the character and pattern of schemes required to be formulated by the Panchayat Samiti under section 43 has not been changed, without estimate;
- (xviii) the works or schemes have been executed within the prescribed period and in accordance with the original plan, design and sanctioned estimate;
- (xix) all claims are in accordance with rules and in prescribed form;
- (xx) all prescribed preliminaries to expenditure and rules relating to the method of payments have been duly observed;
- (xxi) the revenue and expenditure is correctly classified;
- (xxii) the departmental official carrying out the internal check and inspection will also be competent to physically verify—
 - (a) the cash
 - (b) the store and stock and;
 - (c) the work in progress or completed.

115. Departmental Inspections Reports.[Sections 83 and 115(2)(j)]—The departmental officials conduct the internal checks and inspections shall issue their departmental inspection reports. These reports shall be dealt with in the office of the Panchayat Samiti or Zila Parishad as the case may be, in the same manner as the Inspection Report of the Auditor, except that the Examiner shall not be brought into picture in their disposal . The departmental official shall specifically see to the disposal of the previous departmental as well as Auditor's Inspection Report at the time of internal check and inspection.

116 Delegation.-Notwithstanding any thing contained in these rules, a Panchayat Samiti or Zila Parishad as the

case may be, may by resolution , delegate to the Chairman, Vice-Chairman, the secretary, the Executive Officer or any other servant of the Panchayat Samiti or Zila Parishad or of the Government, all or any of the powers conferred upon the Panchayat Samiti or Zila Parishad under these rules.

117 Relaxation. Where the Government is of opinion that it is necessary or expedient so to do, it may by order, for reasons to be recorded in writing, relax any of the provisions of these rules, with respect to any class or category of cases.

118. Interpretation. The power of interpreting these rules shall vest in the Government.

