

# **The M.P. Gram Panchayats (Budget Estimates) Rules, 1997**

MADHYA PRADESH

India

## **The M.P. Gram Panchayats (Budget Estimates) Rules, 1997**

### **Rule**

### **THE-M-P-GRAM-PANCHAYATS-BUDGET-ESTIMATES-RULES-1997 of 1997**

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The M.P. Gram Panchayats (Budget Estimates) Rules, 1997Published vide Notification No. F-1-50(1)-95-22-P-2, dated 12-1-1998, M.P. Rajpatra (Asadharan), dated 13-1-1998 at page 20 (11)In exercise of the powers conferred by sub-section (1) of Section 95 read with sub-section (1) of Section 73 of the Madhya Pradesh Panchayati Raj Adhiniyam, 1993 (No. 1 of 1994), the State Government hereby makes following rules, the same having been previously published as required by sub-section (3) of the Section 95 of the said Act, namely :-

#### **1. Short title.**

- These rules may be called the Madhya Pradesh Gram Panchayats (Budget Estimates) Rules, 1997.

#### **2. Definitions.**

- In these rules, unless the context otherwise requires,-(a)"Act" means the Madhya Pradesh Panchayat Raj Adhiniyam, 1993 (No. 1 of 1994);(b)"Financial Year" means the year commencing on the first day of April, and ending on 31st March of the succeeding year;(c)"Form" means a form appended to these rules;(d)"Section" means a section of the Act;(e)"Year" means a financial year.

#### **3. Preparation of Budget Estimates.**

- The budget to be prepared by the Gram Panchayati must explain in detail each budgetary provisions and the reasons justifying the proposed provision in the budget. The various Standing Committees of the Gram Panchayat shall submit the programmes for ensuing year to the General

Administration Committee. Similarly, Janpad Panchayat and/or Zila Panchayat shall give an indication of the probable funds which would be made available to the Gram Panchayat for various items of work, which may be entrusted to it, so that the Gram Panchayat may frame budget on a realistic basis. The General Administration Committee shall be thereafter, examine the proposals and prepare an estimate of the receipt and expenditure of the Gram Panchayat for the next financial year in Form GPBE-1 and submit it to the Gram Panchayat along with its reports for consideration and approval.

#### 4. Consideration and approval of budget estimates.

- The Gram Panchayat shall consider the budget estimates and may make such modifications and additions thereto as it may think fit and shall submit the same to the Prescribed Officer Panchayat. On receipt of the budget estimates from the Gram Panchayat, the Prescribed Officer shall examine the estimates and shall approve them with or without modification and return back to the Gram Panchayat.

#### 5. Time Schedule for preparation and approval of Budget.

- The preparation and approval of the budget estimates as provided in Rules 3 and 4 should be completed by the prescribed authority within the stipulated time as specified below :-

Particulars	Prescribed Authority	Latest date by which exercise to be completed
(1)	(2)	(3)
(1) Submission of the proposed programmes for ensuing year.	By various Standing Committees to the General Administration Committee.	Thirty-first day of January, each year
(2) Intimation of probable availability of funds to Gram Panchayat.	By Janpad and/ or Zila Panchayat to Gram Panchayat.	Thirty-first day of January, each year
(3) Preparation of draft budget estimate.	By General Administration Committee.	Seventh day of February, each year
(4) Consideration and approval of draft budget estimates.	By Gram Panchayat.	Twenty-first day of February, each year
(5) Submission of budget estimate duly approved by Gram Panchayat to Janpad Panchayat.	By Gram Panchayat.	Last day of February, each year
(6) Examination and approval of budget estimates and return of Gram Panchayat with or without modifications.	By Janpad Panchayat to Gram Panchayat.	Fifteenth day of March, each year

## **6. Guidelines for preparation of Budget Estimates.**

- The following points shall be taken into consideration while framing the budget estimates or receipts all expenditure for the next financial year :- (i) The estimate of receipts should be exhaustive and cautious and provide for the collections of entire loans outstanding and those falling due during the; budget year. (ii) Estimates should be as close and accurate as possible. A saving in an estimate is as much a financial irregularity as an excess. (iii) The estimate of receipts including grants shall be based on a comparison of the last two years receipt and in case of fixed receipts upon actual demand inclusive of any arrears and the probability of their realisation. (iv) The estimate of expenditure on fixed establishments as well as fixed monthly recurring charges on account of rent, allowances etc. shall be made according to the actual sanctioned scale irrespective of savings and shall provide for the gross sanctioned pay without deduction of Income tax etc. (v) For contingent expenditure, the estimate shall be based upon the average actual expenditure for the past two years, exclusive of any special item of expenditure that may have been incurred during these year. (vi) Funds allotted by State Government and Zila Panchayat and Janpad Panchayat for specific functions shall be provided only for those functions without any diversion for other purposes. (vii) Provisions should be made for the due discharge of all liabilities in respect of loans and interest due thereupon, contracted by the Gram Panchayat and for other commitments falling due for payment during the budget period. (viii) Variation of more than ten percent, between the figures of the budget year and those of the previous year should be adequately explained. (ix) The closing balance to be provided in the budget shall not be less than five per cent of the estimated receipts of the Gram Panchayat from taxes, cess, etc., collected under the provision of Chapter IX of the Act, without taking into consideration the Grant-in-aid or loans that may be received from State Government Zila Panchayat or Janpad Panchayat for specific purposes. (x) Due account shall be taken of cash contributions expected from people and institutions for aided or self help programmes. (xi) Due amount should be provided in the budget for incomplete works, with a view to their accomplishment in the next financial year or years. (xii) The estimated amount in the budget should be rounded off to the nearest multiple of hundred. For example, Rs. 640 should be noted as Rs. 600 and Rs. 660 as Rs. 700. (xiii) A detailed note explaining each budgetary provisions and justifying the amount so provided must also accompany the budget.

## **7. Provision in Budget is not a Sanction.**

- The sanction of the budget shall not by itself be deemed to authorise the incurring of any expenditure provided therein. The Gram Panchayat must approve the provisions for such scheme in the budget before an expenditure can be incurred on the scheme.

## **8. Expenditure in excess of Budget Allotment.**

- No Gram Panchayat shall authorise any item of expenditure not included in the budget. For any expenditure in excess of the budget allotment the source from which money required for the proposed expenditure is to be funded shall be indicated. However, whereas any sanction of any authority is required as per rules for any proposed expenditure, such sanction be obtained by the Gram Panchayat before incurring the expenditure.

## **9. Lapsing of Budget Grants.**

- The provision made in the budget shall lapse at the end of the year to which it relates and no part of it remaining unexpended at the end of the year shall be utilised unless it is provided in the budget again in the following year.

## **10. Re-appropriation.**

- The amount provided in the budget as passed can be re-appropriated in Form GPBE-II by Gram Panchayat from one head to another, subject to the following conditions :-(i)The funds given by Janpad Panchayat or other authorities, institutions, etc. for specific schemes by way of grant or loans shall not be diverted and re-appropriated in any circumstances for any other scheme without the prior approval of the authority concerned.(ii)The proposed re-appropriation must be sanctioned by the Gram Panchayat at a meeting.(iii)Such re-appropriation of the funds shall be intimated to the Janpad Panchayat within 15 days of the decision by the Gram Panchayat.

## **11. Supplementary Budget.**

- Where at any time during the year, it is felt that the provisions made in the budget may not be adequate and expenditure is likely to exceed the provisions or some expenditure is likely to be incurred for which no provision was made in the budget, the General Administration Committee, shall prepare a supplementary budget in Form No. GPBE-III and place it before the Gram Panchayat for consideration and approval. The supplementary budget proposal, shall, thereafter be sent to Janpad Panchayat for sanction along with a detailed report justifying the proposed additional demands.

## **12. Sanction of Supplementary Budget.**

- The Janpad Panchayat shall examine the supplementary budget proposal and shall communicate its sanction with or without modifications to the Gram Panchayat within 15 days of its receipt.

## **13. Budget Heads.**

- All the provisions proposed for the various expenditure and income must be under the approved budget heads as given in Form No. GPBE-I.

## **14. Budget Heads not to be changed.**

- No change shall be made in the prescribed list of budget heads without the approval of the State Government and the same heads shall be used in accounts maintained by the Gram Panchayat.

**15.**

"The annual budget and the supplementary budget as approved the Janpad Panchayat shall be read in the next meeting of the Gram Sabha."

**16. Repeal and Saving.**

- All rules corresponding to these rules in force immediately before the commencement of these rules are hereby repealed :Provided that any order made or action taken under the rules so repealed shall be deemed to have been made or taken under the corresponding provisions of these rules. Form No. GPBE-I(See Rule 3) Budget Estimates of probable receipts and expenditure of the ..... Gram Panchayat for the period 1st April ..... to 31st March .....

S. No.	Budget Code No.	Budget Head	Actuals of the last year	Estimates for the current year	Actuals upto 31st	Revised Estimates for the current year	Estimate for the ensuing year
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.		A. Receipts					
		I. Income					
	1000	Opening balance as on 1st April					
		Cash-in-hand					
		Cash-at Bank/Post Office/Treasury					
2.	1100-1199	(A) Income From Taxes					
	1101	Cess on Land					
	1102	Tax on Agriculture Land					
	1103	Property Tax					
	1104	Building Permission Fee					
	1105	Tax on Private Latrines					
	1106	Light Tax					
	1107	Professional Tax					
	1108	Market Fee					
	1109	Animal Registration Fee					
	1110	Tax on Animals					
	1111	Tax of Carts, Bicycles, Rickshaws, etc.					
	1112	Fees for Sarais, Dharmashala and Rest					

	Houses
1113	Fee for slaughter houses
1114	Water Tax
1115	Drainage Fee
1116	Fees from brokers and commission agents
1117	Fees on vehicles
1118	Temporary Tax
1119	Sanitary Tax
1120	Tanga/ Rickshaw stand Tax
1121	Fee for temporary structure/ projections etc.
1122	Grazing cattle Fee
1123	Land Revenue collected
1124	Fishery Rents
1125	Ferry receipts
1126-1199	Other Taxes (Specify)
3. 1200-99	(B) Other Income
1201	Fines and Forfeitures
1202	Composition Fee
1203	Rent from Government Properties
1204	Rent on Panchayat properties
1205	Interest Received
1206	Sale of stocks and assets
1207	Miscellaneous Income
1208	Donations and contributions from public
4. 1301-99	(C) Grants
1301	Grant for Jawahar Rojgar Yojana
1302	Grant for Indira Awas Yojana
1303	Grant for Grainin Awas Yojana
1304	Grant for Jeewan Dhara Yojana
1305	

	Grant for Sunishchit Rojgar Yojana
1306	Grant for Rural Electrification and Energy
1307	Grant for Khadi Gramodhyog and Village Industries
1308	Grant for Development of Forest and Social Forestry Schemes
1309	Grant for PHE Scheme
1310	Grant for PWD's Works
1311	Grant for Public Health and Family Welfare Schemes
1312	Grant for Women and Child's Development Programme
1313	Grant for Social Welfare Schemes
1314	Grant for SC/ST/OBC Welfare Schemes
1315	Grant for Veterinary and Animal Husbandry Programmes
1316	Grant for Fisheries Department
1317	Grant for Agricultural Development
1318	Grant for Horticulture Development
1319	Grant from Education Department
1320	Grant from Food and Civil Supplies Department
1321	Grant for Sports and Youth Welfare Schemes
1322	Grant from Labour and Manpower Planning Department
1323	Grant from Water Resources Department

	1324	General Grant in-Aid
	1325	Other Grants (specify)
5.	1401-99	(D) Gram Panchayats Share in Governmental Receipts
	1401	Share of Land Revenue
	1402	Share of Stamp Duty
6.	1500	(E) Contribution from Janpad Panchayats
7.	1600	(F) Contribution from Zila Panchayat
8.	2001-2199	II. Capital Receipts and Adjustments
9.	2100	(A) Loans
	2101	Loans from Government
	2102	Loans from Zila Panchayat
	2103	Loans from Janpad Panchayat
	2104	Loans from Panchayat Raj Vitta Nigam
	2105	Loans from Banks
	2106	Other loans (Please specify the source)
10.	2200-2299	(B) Security And Other Deposits
	2201	Security Deposits Received
	2202	Earnest Money
	2301-2399	Repayments of Loans and Advances
	2301	Repayment of Vehicle Loan
	2302	Repayment of House Building Loan
	2303	Repayment of GPF/PF Loans
	2304	Repayment of Grain Advance
	2305	Other Advances from Staff
	2306	Advances from other
		Total of Receipts .....
	Code	Head



S.

No.

11. 3000-3099 Expenditures
12. A. Revenue Expenses
13. 3100-3199 I. Administrative Expenditures
  - 3101 Payment to a provision for Employees
  - 3102 Salary and wages to staff including DA, CCA, FA and other allowances
  - 3103 Contribution to provident fund
  - 3104 Pension and leave salary contribution (for staff on deputation)
  - 3105 Provision for liveries to be provided to staff
  - 3106 Reimbursement of medical expenses
  - 3107 Grant of Bonus, to employees
  - 3108 Provisions for gratuity
  - 3109 Rent on accommodation hired for employees
  - 3110 Staff welfare expenses
  - 3111 Honorarium to Sarpanch and Panch
  - 3112 Sitting fee for meeting of Panchayat
  - 3113 Traveling expenses to staff
  - 3114 Traveling expenses to Panchs/Sarpanchs
  - 3115 Meeting expenses for Gram Sabha and other meetings
  - 3116 Expenditure on petrol and repairs of vehicles including replacement of tyres and batteries
  - 3117 Rent of office and other

	hired building for use of Panchayat's office work
3118	Electricity and Water charges for office buildings
3119	Purchase and printing of stationery items, Registers and photocopy and duplicating charges etc.
3120	Postage, Telephone expenses
3121	Entertainment expenses
3122	Purchase of Newspapers, Magazines, Books and subscriptions to journals etc.
3123	Expenditure on Advertisement and publicity other than expenditure incurred on creating public awareness
3124	Whitewash and repairs to building and repairs of other assets
3125	Expenditure on general Maintenance and upkeep of office
3126	Miscellaneous Expenses
3127	Commission on preparation of Drafts and collection charges levied by the Bank
3128	Legal expenses
3129	Audit Fee
3130	Insurance charges
3131	Interest payable on loan from Commercial Banks, State Government and other institutions (specify)
3132	Local conveyance charges
3133	Freight and Transportation charges
3134	Sanitation and conservancy expenses
3135	

- Encroachment Removal Expenses
- 3136 Maintenance and Development of Village sites
- 3137 Kanzi House Expenses
- 3138 Maintenance of Markets
- 3139 Raksha Samiti Expenses
- 3140 Maintenance of Parks
- 3141 Epidemic/Calamities relief Expenses
- 3142 Functions and festivals
- 3143 Religious and Charitable expenses
- 3144 Grant-in-Aid
- 14. 3200-3900 II. Functional Expenses
  - (A) Rural Development Programmes
    - 3201 Rural Development Programme
    - 3202 JRY scheme Expenses
    - 3203 Indira Aawas Yojana Expenses
    - 3204 Gramin Aawas Yojana Expenses
    - 3205 Jeevandhara Yojana Expenses
    - 3206 Sunishchit Rojgar Yojana Expenses
    - 3207 Other Expenses (specify)
  - (B) Rural Electrification and Energy
    - 3210-3219 Public lighting Expenses
    - 3211 Non-Conventional Energy Expenses
  - (C) Khadi Gramodhyog and Village Industries
    - 3220-3225 Khadi and Gramodyog Schemes
  - (D) Development of Forest and Social Forestry Schemes
    - 3230-3239

3231	Forest Development
	(E) Public Health
3240-3249	Engineering Departments Schemes
3241	Phedschemes
	(F) Construction, Repairs and Maintenance of Roads, Nullas,Culverts Sheds and Buildings
3250-3259	Construction of Road, Nullas land Culverts, constructions ofBuildings and Sheds,
3251	Repairs and maintenance of Roads, CulvertsNullas building and sheds.
	(G) Public Health and Family Welfare Schemes
3260-3269	Running of Hospital and Dispensaries
3261	Family Welfare Programmes
3262	Diseases control prevention expenses
3263	
	(H) Women and Child Development Programmes
3270-3279	Aaganwadi Expenses
3271	Other women and child development Expenses
3272	
	(I) Social Welfare
3280-3289	Libraries and Reading Rooms
3281	Social Security Pension
3282	Other social welfare expenses (specify)
3283	
	(J) Welfare Programmes and Activities for Scheduled Castes,Scheduled Tribes and Other Backward Classes
3290-3299	Construction of School buildings
3291	Construction of community development center
3292	

3293	Running and Maintenance of Schools
3294	Scholarships and Distribution of Text book etc.
3295	Girls literacy programme
3296	Other schemes (specify)
3300-3309	(K) Veterinary, Animal Husbandary Related Activities
3301	Veterinary and Animals Husbandry Programme
3310-3319	(L) Promotion and Development of Fisheries
3311	Fisheries Development programme
3320-3329	(M) Promotion and Development of Agriculture
3321	Agro Development Programmes
3330-3339	(N) Horticultural Development Programmes
3331	Horticulture Development Expenses
3340-3349	(O) Education Programmes
3341	Construction of Schools and other Educational buildings
3342	Education expenses
3350-3359	(P) Sports and Youth Welfare Activities
3351	Construction of play grounds etc.
3352	Repairs and Maintenance of play grounds, Akhada etc.
3360-3369	(O) Food and Civil Supplies Programmes
3361	Construction of Godowns
3362	Civil supply expenses
3370-3379	(R) Labour and Man Planning Expenses

3371	Labour and Manpower Planning Expenses
3380-3385	(S) Water Resources Development Activities
3381	Water Resources Development Activities
15. 4000-4999	III. Capital Payments and Adjustments
4100-4199	(A) Loans
4101	Loans from Government
4102	Loans from Ziia Panchayat
4103	Loans from Janpad Panchayat
4104	Loans from Panchayat Raj Vitta Nigam
4105	Loan from Bank
4106	Other Loans (Please specify the source)
4200-4299	(B) Security and Other Deposits
4201	Security and other deposits to be made
4300-4399	(C) Staff Loans and Advances
4301	Advance against Traveling
4302	Festival Advance
4303	Grain Loan
4304	House Building Loan
4305	Vehicle Loan
4306	G.P.F./P.F. Loan
4307	Other Staff Advances
4400-4490	(13) Loan to others
4401	Loan to others (specify)
4500-4599	(E) Capital Expenditures
4501	Construction of building
4502	Purchase of Machinery and Equipments
4503	Purchase of Vehicles
4504	

Purchase of Furniture and  
Fixtures

4505 Others Assets (specify)

Closing balance of cash in HandBank balances (including unexpended)Balance of Rs. .... out of  
specific grants and loansGrand total ..... Total of Expenditures.Form No. GPBE-II(See Rule  
10)..... PanchayatBudget Re-appropriation Statement for the period 1st April ..... to 31st  
March .....Budget Head under which additional provisions are proposed

S.No. Budget Code Budget Head Budgeted sanction

(1) (2) (3) (4)

Expenditure upto date Revised Estimates Proposed increase

(5) (6) (7)

Budget from which appropriation is proposedReasons justifying the proposedincrease and  
anticipated

Budget Code	Budget Head	Budgeted sanction	Expenditure upto date	Revised Estimates	Anticipated Savings
(1)	(2)	(3)	(4)	(5)	(6)

Chairman Secretary Sarpanch

General Administration Committee(i)Sanction Granted by Gram Panchayat on ..... vide9  
Resolution No in the meeting held on.....(ii)Approved by Janpad Panchayat vide letter/ sanction  
order No. .... dated.....

Secretary Sarpanch

Form No. GPBE-III(See Rule 11)..... Gram PanchayatSupplementary Budget for the year  
.....

S.No. Budget Code Budget Head Budget Estimates for the year

(1) (2) (3) (4)

Actuals upto	Revised Estimates for the year	Reasons for the anticipated increase and sourceswhere from additional requirements are proposed to be met
(5)	(6)	(7)

Chairman Secretary Sarpanch

General Administration CommitteeSanctioned by Gram Panchayat ..... vide Resolution No.  
..... in the meeting held on.....Approval by Janpad Panchayat ..... vide letter/  
order No. .... dated.....