

# The M.P. Contingency Fund Rules, 1957

MADHYA PRADESH

India

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### Rule THE-M-P-CONTINGENCY-FUND-RULES-1957 of 1957

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The M.P. Contingency Fund Rules, 1957 In exercise of the powers conferred by Section 5 of the Madhya Pradesh Contingency Fund Act, 1957 (VII of 1957), the State Government are pleased to make the following rules for regulating all matters connected with or ancillary to the custody of, payment of moneys into, and the withdrawal of moneys from, the Contingency Fund of the State of Madhya Pradesh.

#### 1.

These Rules shall be called The Madhya Pradesh Contingency Fund Rules, 1957.

#### 2.

In these Rules unless there is anything repugnant in the subject or context, -(a) "Contingency Fund" means the imprest entitled "The Contingency Fund of the State of Madhya Pradesh, established under Madhya Pradesh Contingency Fund Act, 1957 (VII of 1957), with a sum of rupees two crores which shall be held on behalf of the Governor of Madhya Pradesh by the Secretary to the Government of Madhya Pradesh, Finance Department. (b) "Governor" means the Governor of Madhya Pradesh.

#### 3.

Advances from the Contingency Fund will be made only to meet unforeseen expenditure of an indisputably emergent character not provided for the budget or in cases in which the postponement of expenditure would be administratively impossible or serious inconvenience or serious loss or damage would be caused thereby to the public service.

**4.**

All applications for advances from the Contingency Fund should be made to the Secretary to Government of Madhya Pradesh, Finance Department. The applications shall give-(i)brief particulars of the additional expenditure involved;(ii)the circumstances in which provision could not be included in the budget;(iii)the reasons why its postponement is not possible till the voting of supplementary demand;(iv)the amount required to be advanced from the Contingency Fund with full cost of the proposal for the year or part of the year, as the case may be;(v)the grant or appropriation under which supplementary provision will eventually have to be made; and(vi)the particulars of the savings when expenditure on a new service can be met by reappropriation of funds within the grant.

**5.**

The order sanctioning an advance from the Contingency Fund, which shall specify the amount, the grant or appropriation to which it relates and give brief particulars by sub-heads and units of appropriation of the expenditure for meeting which it is made, shall be issued by the Finance Department as an order of the Governor and communicated to the Administrative Department concerned and to the Accountant General, Madhya Pradesh.

**6.**

If, in any case, after the order sanctioning an advance from the Contingency Fund has been issued in accordance with Rule 5 and before action is taken in accordance with Rule 8, it is found that the advance sanctioned will remain wholly or partly unutilised, an application shall be made to the sanctioning authority for cancelling or modifying the sanction, as the case may be.

**7.**

Sanctions issued to the Heads of Departments by the Administrative Departments for incurring expenditure against the advance shall specify accounts classifications in the same details as in Rule 5.

**8.**

Supplementary estimates for all expenditure so financed shall be presented to the Legislative Assembly at the first session meeting immediately after the advance is sanctioned. As soon as the Legislative Assembly has authorised the additional expenditure by including it in any Supplementary Appropriation Act, the advances made from the Contingency Fund shall be resumed to it. It is important that all advances from the Contingency Fund should be recouped as far as practicable within the same financial year in which they are sanctioned.

**9.**

All advances sanctioned from the Contingency Fund to meet expenditure in excess of provision for the service included in an Appropriation (Vote on Account) Act shall be resumed to the Contingency Fund as soon as the Appropriation Act in respect of the expenditure on the service for the whole year, including the excess met from the advances from the Contingency Fund, has been passed.

**10.**

(1)The Administrative Department shall be responsible for sending to Finance Department the proposals for supplementary estimates in recoupment of advances from the Contingency Fund, in the precis explaining the supplementary estimates, a note to the following effect shall be appended : "A sum of Rs..... has been advanced from the Contingency Fund in..... and an equivalent amount is required to enable repayment to be made to that fund." (2)In cases where a token advanced from the Contingency Fund is sufficient to meet the expenditure on a 'new service', the note explaining the token supplementary grant will be in the following form :- "The expenditure is on a new service. A sum of Rs..... has been advanced from the Contingency Fund in..... and an equivalent amount is required to enable repayment to be made to that Fund. The amount can be found by reappropriation of savings within the grant and a token vote is now required." (3)In cases of expenditure on a 'new service' not contemplated in the annual financial statement, advance from the Contingency Fund, despite savings to the extent being available within the sanctioned grant, should be to the full extent of the expenditure to be incurred up to the date of obtaining the supplementary grant, which should be for a token sum when savings are available in the sanctioned grant. The note explaining the supplementary grant should be in the following form :- "The expenditure is on a 'new service'. A sum of Rs..... has been advanced from the Contingency Fund in..... and an equivalent amount is required to enable repayment to be made to that Fund. The amount, viz., Rs..... A part of the amount viz. Rs..... can be found by re-appropriation of savings within the grant and a token vote only is now required/A vote is required for the balance, viz., Rs....."

**11.**

A copy of tire order resuming the advance which shall give a reference to the number and date of the order in which the original advance was made and to the Supplementary Appropriation Act referred to in Rule 8 shall be forwarded by the Finance Department to the Accountant General Madhya Pradesh.

**12.**

An account of the transactions of the Fund shall be maintained by the Finance Department in Form A annexed to these rules.

**13.**

The accounting procedure for expenditure met out of advance from the Contingency Fund shall be as follows :-(i)All drawing officers shall prepare separate bills in respect of expenditure to be met out of the advance from the Contingency Fund and all such bills shall be labelled conspicuously on top "Contingency Fund" by using a rubber stamp or by writing in red ink. Detailed classification of expenditure in the bill should be given according to the usual budget heads.(ii)Account of the expenditure shall be maintained separately and reported to the Chief Controlling Officers monthly for control of expenditure in a statement shall be maintained in the same details as for expenditure met from the ordinary budget grant.(iii)As soon as orders are received allotting funds out of the supplementary estimate to meet the expenditure provisionally met from an advance from the Contingency Fund, the procedure of drawing on separate hills shall be discontinued and the separate account shall be closed by transferring the expenditure to the regular departmental account.

Form A(See Rule 12)Madhya Pradesh Contingency FundAmount of the fund Rs.....

S.No.	Date of transaction	No. and name of grant on appropriation	No. and date of the application for advance	No. and date of the order making the advance	Amount advance
(1)	(2)	(3)	(4)	(5)	(6)
Rs.....					
Supplementary Appropriation Act after each additional expenditure	Amount of advance resumed	Balance after each transaction	Initials of officer-in-charge	Remarks	
(7)	(8)	(9)	(10)	(11)	