

The M.P. Municipalities (Budget Estimates) Rules, 1962

MADHYA PRADESH

India

The M.P. Municipalities (Budget Estimates) Rules, 1962

Rule

THE-M-P-MUNICIPALITIES-BUDGET-ESTIMATES-RULES-1962 of 1962

- Published on 6 July 1962
- Commenced on 6 July 1962
- [This is the version of this document from 6 July 1962.]
- [Note: The original publication document is not available and this content could not be verified.]

The M.P. Municipalities (Budget Estimates) Rules, 1962Published vide Notification No. 92-U-18, dated 6-7-1962, M.P. Gazette, Part 2, dated 10-8-1962

1. Short title.

- These rules may be called the Madhya Pradesh Municipalities (Budget Estimates) Rules, 1962.

2. Definitions.

- In these rules, unless the context otherwise requires :-(a)"Act" means the Madhya Pradesh Municipalities Act, 1961 (No. 37 of 1961);(b)"Section" means a section of the Act.

3. Form and manner of preparing budget estimates.

(1)An estimate of income and expenditure under sub-section (1) of Section 116 shall be prepared in Form 1 appended to these rules and a brief explanatory memorandum shall be enclosed with it.(2)The budget estimates shall include adequate provisions for the repayment of loan legally contracted by the Council.(3)The estimate shall be so prepared as to provide for a closing balance which a Council shall maintain at its credit at the end of the year and the amount of which shall be not less than five per cent of its recurring annual income.(4)(a)The estimate of income shall be based on a comparison of the last three years' receipt. The estimate from taxes and other sources for which there is a fixed demand shall however, be limited to the average of three years' actuals or to the year's demand plus a reasonable percentage of the recoverable arrears, whichever is less.(b)The

estimate of total expenditure shall not exceed the average of actual receipts of the previous three years or the estimated receipts of the budget year, whichever is less. The total provision of expenditure for recurring items shall not exceed the average of past three years' receipts on account of fixed demand or the estimated receipt for fixed demand of the budget year, if the fixed demand has been increased for that year:[Provided that the opening balance also after leaving the amount to the extent of the prescribed minimum balance may be spent on non-recurring items subject to the approval of the [Director of Local Bodies] [Inserted by Notification No. 137-U-XVIII, dated 25-7-1973.]. [Provided further that in cases where the amount involved is less than Rs. 5,000/- Deputy Director of Local Bodies may approve the same.] [Inserted by Notification No. 842-XVIII-II-73. dated 22-10-1973.](5)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 actual sanctioned scale, irrespective of savings, and shall provide for the gross sanctioned pay without deduction of income-tax.(6)For contingent expenditure the estimates shall be based upon the average actual expenditure of the past three years, exclusive of any special items of expenditure that may have been incurred during those days.(7)The amount of any grants from the [Director of Local Bodies] [Substituted by Notification No. 842-XVIII-II-73. dated 22-10-1973.] unexpended at the beginning and end. respectively, of the financial year, shall be shown separately in the estimated opening and closing balances. Such amounts shall not be taken into consideration in determining whether the closing balance exceeds the minimum balance prescribed.(8)The revised estimate for the current year shall also be shown in the budget and it shall be based on the actual receipts and expenditure ascertained at the time when the budget estimate for the ensuing year is prepared and the probable receipts and expenditure during the remaining portion of the year. The revised estimate thus arrived at shall then be compared with (i) the adopted or sanctioned budget estimate for the current year, and (ii) the budget estimate proposed for the ensuing year and all important variation between the adopted or sanctioned budget estimate for the current year and the budget estimate proposed for ensuing year shall be explained in an explanatory note.(9)(a)In the case of works the Council shall meet during the month of July every year and draw up a list of new works in order of urgency for inclusion in the estimates of the ensuing year with reference to the amount which seems on general consideration likely to be available for expenditure on works. The Council shall also obtain administrative sanction as early as possible to those works which it is not empowered to sanction itself.(b)The Municipal Engineer or the Chief Municipal Officer in a Municipality where there is no Municipality Engineer, shall proceed to prepare detailed plans and estimates of all works consolidated by the Council and submit them for its final sanction. The Council shall then determine the works to be included in the budget and communicate the same to the Chief Municipal Officer.(c)No work for which plans and estimates have not been prepared and sanctioned may, unless in exceptional circumstances, be included in the budget.(d)Full particulars regarding all works costing over Rs. 500 shall be given in the annexures to the budget estimates.

4. Extract of budget to be forwarded to certain officers.

- As soon as the budget is finally adopted by the Council or sanctioned by the [Director of Local Bodies] [Substituted by Notification No. 842-XVIII-1I-73, dated 22-10-1973.] as the case may be, the Council shall cause extracts to be made from it showing the estimates of receipts and charges concerning the following departments and forward them to the officer mentioned against each :-

Medical Department,

Public Health Department Director of Health Services

Public Health Engineering Department- Executive Engineer, Public Health.

5. No expenditure to be incurred without budget provisions.

- No expenditure shall be incurred for which there is no budget provision unless-(a)it can be met from ascertained savings in to the budget; or(b)(i)if the Council is not indebted to the State Government the expenditure has been sanctioned at a special meeting and if it would reduce the closing balance below the prescribed minimum, a sanction of the [Director of Local Bodies] [Substituted by 842-XVIII-II-73, dated 22-10-1973.] thereto has also been obtained; or(ii)if the Council is indebted to the State Government, sanction of the [Director of Local Bodies] [Substituted by 842-XVIII-II-73, dated 22-10-1973.] has been obtained. Notes. - (1) Subject to the limitations laid down in this rule, the President, or the Vice-President, or in the absence of these officers, the Chief Municipal Officer may, in emergent cases, sanction reappropriation of funds up to a limit of Rs. 500 in the case of Class I and II Municipalities and Rs. 300 in the case of Class III and IV Municipalities in each case in anticipation of the Council's sanction which shall be obtained at the next meeting.(2)Reappropriation statements in Form II appended to these rules shall be submitted as soon as the necessity for the same is foreseen and not after the expenditure has been taken in hand.(3)The general scheme of operations set forth in the budget estimates shall not be deliberately set-aside and savings in the provision for works shall not ordinarily be appropriated to meet other expenditure.(4)Earmarked grant shall be utilised for the purpose for which they are sanctioned and may not be used for any other purpose either temporarily or permanently without the previous sanction of the [Director of Local Bodies] [Substituted by 842-XVIII-II-73, dated 22-10-1973.].(5)The words "in the budget" occurring in sub-rule (a) above do not include an excess of actual over estimated opening balance or the estimated closing balance in excess of the fixed minimum balance.(6)Any sum set apart by a resolution of the Council for a particular purpose shall be utilised for the purpose for which it is earmarked and shall not be used for any other purpose either temporarily or permanently without the previous sanction of the [Director of the Local Bodies] [Substituted by 842-XVIII-II-73, dated 22-10-1973.]. Any sum set apart for a particular purpose in this manner shall be considered to be an addition to the prescribed closing balance of the Council so long as it remains unspent.

6. Want of budget provision, no bar for payment.

- The want of budget provision does not operate to prevent payment of any sums due by a Council nor does it prevent record of any actual payment under its proper head of account. No payment shall be classified under "Advances" for want of budget provision. All liabilities shall be liquidated at once, and under no circumstances may they be allowed to stand over to be discharged from the budget grant of the next year nor shall payments or refunds be postponed to the last day of a month of the financial years. Form I[See sub-rule (1) of Rule 3]Budget Estimate of the Income and Expenditure of the Municipal Council.....Tahsil.....District.....for the year 19.....N.B. - (1) Sanctions should be quoted for every contribution and for every public work costing

over Rs. 1,000.(2)The figures in the units place should be without exception cipher or 5 thus for Rs. 1,346, Rs. 1,345 and for Rs. 2.398, Rs. 2.400 should be entered.(3)If the whole amount of a sanctioned estimate or expenditure cannot be spent during the current year the balance should be provided for in the estimate under preparation.(4)Estimate for grants from the [Director of Local Bodies] [Substituted by Notification No. 842-XVIII-II-73, dated 22-10-1973.] under receipts, and for contribution under disbursement must be supported by sanction.(5)Particulars regarding nature and cost of works, for which provision is made under heads other than "C-Public Health and Convenience-II-Public Works" should be given separately in the Form.(6)Under "A-1.-General Administration" and "C.II-Public Works" only such general charges are to be shown as cannot be properly shown under any of the other heads wherever establishment is employed or works are constructed for a particular purpose-only, the charge should be shown under the head to which that purpose belongs and not under these heads.(7)"C-II-Public Works". If the Public Works establishment be employed partly upon works connected with any of the other heads the share of the charges debitable to those heads should be shown under those heads and not under this head.(8)"C-II-Public Works". "Buildings" and "Stores". Cost of buildings erected or stores used for special works, e.g. for water-works should be charged to those works; cost of such buildings or stores only will be shown here as properly cannot be shown under any of the other heads.(9)"E.-Contribution should be classified according to the object for which they are made, e.g., for schools under "D-Public Instruction", etc., contributions not made for any particular purpose for which no separate head is provided should be charged under this head.

Part I – Budget estimate of Probable Income and Expenditure of the Municipal Councilfor the year ending the 31st march, 19....

Heads of receipt*	Estimate for the ensuring year 19..-19..	Sanctioned Estimate for the current year
(1)	(2)	(3)
	Rs.	Rs.
Revised Estimate for the current year	Actuals of last year 19..-19..	Actuals of previous year 19..-19..
(4)	(5)	(6)
Rs.	Rs.	Rs.
Heads of expenditure**	Estimate for the ensuring year 19..-19..	Sanctioned Estimate for the current year
(7)	(8)	(9)
	Rs.	Rs.

Revised Estimate for the current year	Actuals of last year 19...-19..	Actuals of previous year 19...-19..
(10)	(11)	(12)
Rs.	Rs.	Rs.

* Here enter heads of receipt as per Accounts Rules.** Here enter heads of expenditure as per Account Rules.

Part II – Original Works

(As estimated under "C-Public Health, etc.-II-Public Works")

Head of classification	Locality	Projects and works costing over Rs. 1,000. be quoted for each work	Sanction to	Amount of estimate
(1)	(2)	(3)		(4)
Outlay		Grant		
Total actuals to end of last year		Probable outlay during current year	For expenditure by P.W. Officers	For expenditure by Civil Officers
(5)		(6)	(7)	(8)

Part III – Maintenance and Repairs

(As estimated under "C-Public Health, etc.-II-Public Works")

Head of classification	Locality	Details of repairs costing over Rs. 1,000. be quoted for each work	Sanction to	Amount of estimate
(1)	(2)	(3)		(4)
Present Estimate 19....	Last Estimate 19...			
By P.W. Officers	By Civil Officers	By P.W. Officers	By Civil Officers	
(5)	(6)	(7)	(8)	

Part IV – Details of Works, original and repairs, provided for under all heads other than "C-Public Health"- "II-Public Works" vide note (5) on first page of the Form

Head of classification No. and date of sanction	Name of work (over and under Rs. 1,000)	Amount of estimate for the	Amount entered in the budget	Remarks
---	---	----------------------------	------------------------------	---------

work

By Civil Officers

By P.W.D. Officers

(1)

(2)

(3)

(4)

(5)

(6)

Part V – Schedule to accompany the Municipal Fund Budget showing the details for Fixed Established estimated for the year 19.....

No.	Name of establishment and designation of appointments	Monthly rates of pay	Total of each established for the year	No. and date of sanction authorising changes in the existing scale of establishment
(1)	(2)	(3)	(4)	(5)
Government schools transferred to municipal management.				

No.	Name of establishment and designation of appointments	Monthly rates of pay	Total of each established for the year	No. and date of sanction authorising changes in the existing scale of establishment
(6)	(7)	(8)	(9)	(10)
Municipal schools				

Note. - In the case of Educational Institutions the establishment should be classed according to grades under two distinct heads, viz. 'Government Schools transferred to Municipal management' and 'Municipal Schools'.

Part VI – Memorandum of Explanation regarding the Receipts and Expenditure estimated in the Budget of the Municipal Council.....Tahsil..... District....., for 19....19...

Major and details heads	Actuals for 19.....	Budget estimate for current year	Budget estimate for ensuing year	Explanation of difference as compared with actuals and budget (different under each detailed head should be explained)
(1)	(2)	(3)	(4)	(5)
	Rs.	Rs.	Rs.	

Part VII – Memorandum showing how the estimated opening balance in the Budget of the Municipal Fund of for 19..19.., has been arrived at....

Particulars	Amount Rs.	Amount Rs.	Remarks
(1)	(2)	(3)	(4)
Actual balance in the Treasury/Bank on 31st March 19.....			
Deduct- Cheques outstanding			
Net			
Add-			
Total receipts of the fund to the end of September			
Total estimated receipts for the remaining portion of the year			
Total Receipts			
Total Balance and Receipts			
Deduct-			
Total Charges to the end of September			
Total estimated charges for the remaining portion of the year			
Total Charges			
Balance as entered in budget			
Expenditure as to why the total receipts and charges as shown above differ from the estimates for 19...-19...Form II(See Rule 5)Re-appropriation Statement of the..... Municipality, Tahsil..... District.....			
Heads affected by proposal			
Heads proposed to be increased			

Major and minor Head		Original figure	Expenditure to date	Proposed increase	
(1)		(2)	(3)	(4)	
		Rs.	Rs.	Rs.	
Heads affected by proposal	Explanation setting forth fully the necessity for the proposed expenditure and why it was not foreseen				
Heads proposed to be decreased					
Major and minor Head	Original figure		Expenditure to date	Anticipated savings	
(5)	(6)		(7)	(8)	(9)
	Rs.		Rs.	Rs.	

Note - If the new expenditure is proposed to be justified by increased revenue and not by reducing expenditure, then for Heads proposed to be increased" read "Anticipated increase of income" the grounds on which should be fully stated in the final columns and in the case of proposed appropriations of excess opening balance, both the estimated and the actual balance of the fund at the beginning of the year and excess of the latter over the former should be shown in the columns "Heads proposed to be decreased."