

**Government of Himachal Pradesh**  
**Rural Development Department**  
\*\*\*\*\*

No. RD-(F)-5-1/2025 Dated: Shimla-2, the

22<sup>nd</sup> March, 2025

**NOTIFICATION**

**Subject:- Guidelines for deduction and utilisation of Contingency Fund under Schemes implemented by the Block Development Officers-2025.**

I am directed to say that the matters with regard to Guidelines for Deduction and Utilisation of the Contingency Fund under schemes implemented by the Block Development Officers (BDOs) were engaging the attention of the State Government for some time past.

2. After careful examination, the State Government in the Department of Rural Development has decided that the Contingency Fund under Schemes Implemented by the Block Development Officers' to ensure financial propriety, transparency, and uniformity in the deduction and utilisation of contingency funds be governed in accordance with the following principles: -

3. The Block Development Officers (BDOs) are implementing various schemes of Planning Department, Rural Development Department, Panchayati Raj Department and deposit works of other departments. Various instructions have been issued by the Planning Department, Rural Development Department and Panchayati Raj Department from time to time regarding deduction of contingency under different schemes at the Block level. In order to ensure uniformity in deduction of contingency and utilization of contingency funds and maintenance of accounts thereof, the following consolidated instructions are hereby issued in supersession of all previous instructions issued on this subject by the Rural Development and Panchayati Raj Departments, which shall be applicable to executing agencies including Block Development Officer and Executive Engineers/Assistant Engineers of the Department:

**1) Quantum of contingency: The quantum of contingency to be deducted shall be as follows:**


Sr. No.	Nature of work	Contingency
1.	Works under Planning Department Schemes like SDP, VKVNY etc.	0.5% of sanctioned amount [As per instructions of Planning Department dated 21.08.2020 (copy enclosed)]
2.	Works of Rural Development & Panchayati Raj Department	No contingency shall be deducted
3.	Deposit works of other Departments, which shall also include works of LADA & SADA etc.	<u>6%</u> of the sanctioned amount

2) **Maintenance of contingency funds**

- (i) The contingency funds shall be deducted and kept at the Block level and there shall be no further deduction of any contingency at the Gram Panchayat level.
- (ii) The contingency funds shall be maintained in a separate bank account by pooling all contingency deduction in a single account.
- (iii) A separate cash book and ledger shall be maintained.
- (iv) The amount deducted at contingency will be treated as having spent the moment they are passed on to the Bank account thereby meaning that no separate utilization certificate in respect of contingency funds will be required.
- (v) Proper ledger account shall be maintained detailing the deduction and expenditure and balance of the contingency fund.
- (vi) Bank reconciliation statement will be prepared every month.

3) **Utilization of contingency funds:**

- (i) The contingency funds shall be utilized on the following heads only with permission of competent authority as specified below:



Sr. No.	Permissible Items	Powers to BDOs (Per Financial Year)
1.	Expenditure for meetings to review Planning, Rural Development & Panchayati Raj schemes by BDOs (With PRIs and Employees only).	Full Powers to BDOs subject to availability of funds in contingency head. (Maximum ₹100 per person).
2.	Electricity / Power backup in the offices- Invertors, Generators etc for BDO Office (One time)	Upto ₹ 30,000
3.	Electronic items like CCTV, Biometric, VC System, Heaters, AC etc. and other office setup required for smooth functioning of BDO office.	Upto ₹ 30,000
4.	Purchase of Computer, Printers, Photocopier and other machines required for the smooth functioning of BDO office.	Prior approval of HOD i.e. Director, RD is required
5.	Repair of Electrical Items & Electronics like Computer, Printer, Photocopier, refilling & Purchase of tonners in BDO office.	Upto ₹ 50,000
6.	Fuel for Government Vehicle	Maximum upto ₹ 1,20,000



	attached with BDOs.	per year
7.	Repair of Government Vehicle, Purchase of tyres and Service of Vehicle attached with the BDO.	Prior approval of HOD i.e. Director, RD is required
8.	Hiring of Taxis (Sedan/Hatchback) on the rates approved by concerned Deputy Commissioner subject to the condition that Government Vehicle is not available in the Block. Large vehicles like XUV, SUV, MUV etc. shall not be permitted.	Prior approval of HOD i.e. Director, RD is required
9.	Necessary fitting of water, electricity, internet and others required for smooth functioning of BDO office (One time).	Powers upto ₹ 30000/-, after that prior approval of Director, RD
10.	Various Bills like Electricity, Drinking Water, Sanitation bills, Telephone, Broad-band and others required for smooth functioning of BDO Office.	Full Powers to BDOs.
11.	BDO Office repair and renovations.	Prior approval of Director, RD
12.	Rural Development Residences repair & renovations.	Prior approval of Director RD is required.
13.	Payment of rent of Office Building and residential accommodation of BDOs, where departmental accommodation is not available.	Prior approval of Director, RD is required.
14.	Purchase of furniture for BDO Office. (One time purchase).	Powers upto ₹ 30000/-
15.	Repair of office furniture.	Powers upto ₹10,000/-
16.	Purchase of Stationary for BDO office.	Full Powers to BDOs.
17.	Felicitating the PRIs and employees of BDO office for good work – Purchase of Mementos and Certificates.	₹250 per person
18.	Documentation and Videography of Success Stories.	₹ 50,000/-
19.	Printing of Posters for awareness of different schemes in BDO office campus	Maximum Upto ₹ 10,000 per year
20.	Preparation of project reports and hiring of consultancy services for preparation of drawing, designs and other specialized services including lab testing of materials, soil testing etc.	Maximum ₹ 25,000
* <b><u>Beyond the maximum prescribed limits of expenditure to the BDO prior sanction of the Director, Rural Development is mandatory.</u></b>		

(ii) No expenditure shall be incurred nor any proposal be made or sent for approval in respect of the following items in any circumstances:

- (a) *No manpower can be hired or engaged out of contingency funds;*
- (b) *Mobile Allowances, Salary, TA, DA and other expenditure for manpower cannot be made.*
- (c) *No expenditure can be made on account of any kinds of IEC activities.*
- (d) *Mobiles, laptops and dongles etc. cannot be purchased.*
- (e) *Recurring Expenditure on recharge of internet on phones cannot be incurred.*
- (f) *No expenditure can be incurred in advance if fund is not available in contingency head.*

4. Any violation of these instructions will be viewed seriously and any lapse, while implementing these guidelines the concerned BDO/DDO will be held responsible.

5. These instructions may be issued in supersession of all the instructions issued by Rural Development Department and Panchayati Raj Department.

**By Order**

**Rajesh Sharma, IAS**  
**Secretary (Panchayati Raj) to the**  
**Government of Himachal Pradesh**

Endst. RD-F 010/27/2024 Dated: Shimla-171002, the 22<sup>nd</sup> March, 2025  
Copy to: -

1. The Secretary to the Governor, H.P. Shimla-2
2. The Secretary to the Hon'ble Chief Minister, H.P. Shimla
3. All the Administrative Secretaries to the Government of Himachal Pradesh
4. All the Heads of Department in Himachal Pradesh
5. All Divisional Commissioners, Himachal Pradesh
6. All the Deputy Commissioners in Himachal Pradesh.
7. All the Managing Directors/Chief Executive Officers/ Secretaries/ Registrar of Boards/ Corporation/ Govt. Universities/ Autonomous Bodies etc. in H.P
8. All the District Development Officers in Himachal Pradesh.
9. All the District Panchayat Officer in Himachal Pradesh
10. All the Block Development Officers in Himachal Pradesh
11. Guard file/ spare copies.

Yours faithfully,

(Sarjeev Kumar)

**Deputy Secretary (Rural Dev.) to the**  
**Government of Himachal Pradesh**

\*\*\*\*\*