

Comparison : This Section is analogous to Section 81 of Act 2 of 1964.

**ANDHRA PRADESH GRAM PANCHAYAT, PREPARATION AND SUBMISSION
OF BUDGET RULES, 2000**

**[G.O.Ms. No. 69, panchayat Raj and Rural development (Rules), dated 29th
February, 2000]**

In exercise of the powers conferred by Section 77 read with Section 268 (2) (v) and (vi) of Andhra Pradesh Panchayat Raj Act, 1994 (Act 13 of 1994) and in supersession of the orders issued in G.O.Ms. No. 154, panchayat Raj, dated the 20th February, 1965, the Governor of Andhra Pradesh hereby makes the following Rules namely :-

RULES

1. Short Title :- These Rules may be called Gram Panchayat, Preparation and Submission of Budget Rules, 2000.

2. Preparation of Budget :- (1) The Executive Authority of every Gram Panchayat shall in each year, frame a Budget showing the probable receipts and expenditure of the Gram Panchayat during the following year.

(2) The working balance to be provided for in the Budget shall not be less than five per cent of the estimated receipts, during the year excluding those from endowments, State grants and departmental grants.

(3) The Budget of every Gram Panchayat, an extract thereof, shall be prepared in such a form, as may be specified by Government from time to time.

(4) (a) Copies of the Budget in the language of the village shall be circulated to the members of the Gram Panchayat sufficiently in advance of the date fixed for the consideration of the Budget by the Gram Panchayat, so that the members may have a reasonable opportunity of examining the same before the said date.

(b) The Budget shall, after it has been circulated to all the members of the Gram Panchayat (a) after detailed scrutiny by the Budget Committee, if any, of the Gram Panchayat, be placed before the Gram Panchayat by its Sarpanch.

3. Sanction of Budget :- (1) The Panchayat shall sanction the Budget, with such modifications, if any, as it thinks fit after satisfying itself on the following points namely :-

(a) that the estimate of receipts is exhaustive and cautious ;

(b) that due provision has been made for performing the obligatory functions as detailed below :

(1) Establishment	: 30%	of normal income of Gram Panchayat
(2) Sanitation	: 15%	- do-
(3) Street lighting	: 15%	-do-
(4) Water supply	: 15%	-do-
(5) Roads & drains	: 20%	-do-
(6) Miscellaneous Expenditure	: 5%	- do-
Total	: 100%	

(c) that provision has been made for the due discharge of liabilities in respect of loans taken by the Gram Panchayat, and all other commitments.

(d) that all variations between the figures of the Budget year and those of the previous year have been adequately explained, and

(e) that the working balance is not less than the minimum prescribed in sub-rule (2) of Rule 2 :

Provided that if for any reason, the Budget is not sanctioned by the Gram panchayat before the expiration of the period allowed under the Act, the executive authority shall submit the Budget to the Divisional Panchayat Officer who shall sanction it, with such modifications, if any, as he thinks fit and forward it to the Gram Panchayat for its approval.

(2) The Budget, so sanctioned by the Gram Panchayat shall be forwarded by the executive authority to the Divisional Panchayat Officer on or before 25th December of every year.

(3) The Divisional Panchayat Officer shall make such suggestions, as he may deem fit within one month from the date of its receipt and return it to the Gram Panchayat, which shall consider the same, within one month, and approve the Budget with or without modifications at a special meeting conducted for the purpose, and the Budget, so approved at such meeting shall be final. A copy of the approved Budget shall be forwarded to the Assistant Accounts Officer, L.F. Audit Department and Extension Officer (Panchayats) and Divisional Panchayat Officer concerned.

(4) (a) No Gram Panchayat shall incur any item of expenditure, not included in the Budget or in excess of Budget allotment.

(b) Any amount of expenditure made without budget allotment and sanction shall be surcharged on the persons responsible, severally or jointly.

(5) The sanctioning of the Budget shall not by itself be deemed to authorise the Gram Panchayat to incur all the expenditure provided for therein, and where the sanction of the Government or any other authority is required for incurring the expenditure, provision for which has been made in the Budget and such sanction has not been specifically accorded, it shall be the duty of the Gram Panchayat to obtain such sanction before the expenditure is incurred.

(6) The executive authority shall pay prompt attention to the remarks, if any, made by the Auditor in regard to expenditure as compared with the Budget allotment.

4. Allotment and Transfer :- (1) Allotments made in the Budget shall lapse at the end of the year and shall not be reserved for disbursement after the end of the year, nor shall

they be appropriated by transfer to deposits or any other head or departments in advance in order to avoid lapse.

(2) All expenditure during the course of a year, shall be regulated in accordance with the allotments made in the Budget for the year as sanctioned under sub-section (1) of Section 77 of the Andhra Pradesh Panchayat Raj Act, 1994, or as approved under sub-section (2) thereof and the supplement or revised Budget sanctioned under sub-section (3) thereof.

(3) (a) Where an amount or an additional allotment under any head of account is subsequently found necessary such allotment or additional allotment shall, with the sanction of the Gram Panchayat, be made by re-appropriation from other heads, subject to the conditions that all applications for re-appropriation shall be made in form "A" appended to these Rules, and with prior permission of Divisional Panchayat Officer.

(b) The executive authority shall forward to the Auditor a copy of the order of the Gram Panchayat sanctioning such application within a week from the date of receipt of such order.

(4) Where it is found necessary to find additional allotments from balances of any kind or from other heads such additional allotments shall be made with the sanction of the Gram Panchayat, subject to the following conditions namely :

(a) The working balance shall not be reduced below the minimum specified sub-rule (2) of Rule 2;

(b) The applications for additional allotments shall be made in Form "B" appended to these rules and shall be affected by the executive authority after obtaining the sanction of the Gram Panchayat in time to admit the passing of orders on the application before the end of the year; and

(c) The Executive authority shall forward to the auditor a copy of the order sanctioning such application within a week from the date of receipt of such orders.

FORM - A

[See Rule 4(3) (a)]

Application for allotment or additional allotment of funds by re-appropriation required by the Gram Panchayat Mandal District.

- (1) Particular work or purpose
- (2) Head of account in which, or name of work for which, additional allotment is required.
- (3) Amount provided for the work or purpose in the Budget.
- (4) Amount subsequently allotted or transferred.
- (5) Amount spent upto date.
- (6) Amount required to meet probable expenditure upto the end of the year.
- (7) Total of items (5) and (6)
- (8) Amount now required to be transferred i.e., item(7) minus item (3) plus item (4)
- (9) Reasons for exceeding the original allotment
- (10) Head of account or source from which transfer is applied for.

(11) Anticipated saving from which funds may be allotted.
 (12) Remarks
 Executive Authority of Gram Panchayat/(Special Grade Gram Panchayat) Sanctioned in

FORM - B

[See Rule 4 (4) (b)]

Application for allotment or additional allotment of funds from the balance required by the Gram Panchayat Mandal District.

- (1) Particular work or purpose
- (2) Head of account in which or name of work etc., for which additional allotment is required.
- (3) Amount provided for the work or purpose in the Budget.
- (4) Amount subsequently allotted or transferred.
- (5) Amount spent upto date.
- (6) Amount required to meet probable expenditure upto the end of the year
- (7) Amount now required by transfer from the balance
- (8) Reasons for exceeding the original allotment.
- (9) Amount of closing balance provided in the Budget as revised with reference to the actual opening balance of the year.
- (10) Total of all allotments made from such balance including those now applied for.
- (11) Net balance available.
- (12) Five per cent of estimated receipts.
- (13) Remarks.

Executive Authority of

Gram Panchayat / Special Grade

Gram Panchayat

Sanctioned in

Note: - It should be explained in remarks in item (13) how the difference between items (6) and (7) is proposed to be met.

EXECUTIVE INSTRUCTIONS

Govt. Memo. No. 3422/Pts. III/67-1 P.R. Dated 6-12-1967 : G.P.s have been informed that they may adopt the policy of making provision upto 15% of normal income towards schemes for the benefits of the weaker sections of the people.

G.O.Ms.No. 468, Panchayat Raj, (Pts. III) dated 28-4-1978 : The Gram Panchayats with an income of Rs. 50,000/- and above were directed to earmark 15% and 3% of their funds for the common welfare of Scheduled Castes and Scheduled Tribes respectively to execute works such as formation of roads, construction of culverts, provision of wells in harijanawadas etc., if surplus funds are available after meeting the items of committed expenditure. Implemen-