

GOVERNMENT OF KERALA

Abstract

BUDGET 1996-97 – DECENTRALISATION OF POWERS – SCHEMES/FUNCTIONS TRANSFERRED TO PANCHAYAT RAJ/NAGARA PALIKA INSTITUTIONS – TRANSFER OF FUNDS – INSTRUCTIONS/GUIDELINES – ISSUED.

FINANCE (BWJ) DEPARTMENT

G.O.(P) NO.275/96/Fin.

Dated, Thiruvananthapuram 25th March, 1996.

- Read:- 1. G.O.(P) 612/95/Fin. Dated 4-10-1995
2. G.O.(P)155/96/Fin. Dated 31-1-1996

ORDER

The Panchayat Raj/Nagara Palika Institutions came into existence in the State with effect from 2nd October 1995. In the Government Order read as first paper above Government have issued instructions/guidelines for the transfer of funds to Local Bodies and connected matters for the year 1995-96. Since the above guidelines are operative till 31-3-1996 only, revised instructions are to be issued for the smooth functioning of Local Body Institutions from 1-4-1996 onwards.

After having considered various aspects, Government are pleased to issue the following instructions/guidelines.

1. In the Detailed Budget Estimates 1996-97 provisions for schemes/functions transferred to Panchayat Raj/Nagara Palika Institutions have been included as lump sum grant against separate sub heads of account below the minor head viz., '191 Assistance to Local Bodies etc.' under the concerned functional Revenue expenditure major/sub major heads of the departments. The Heads of Department will give allocation for 1/3rd of the total budget provision (scheme wise allocation) included in the respective demands as grant-in-aid to the local bodies to the respective District level officers before 3rd April 1996. The Heads of Departments/the District level officers will give allotment of the grant-in-aid to the concerned local body Institutions after 31-3-1996 and before 10th April 1996. The balance provision will be allotted in August 1996 and before 10th April 1996. The balance provision will be allotted in August 1996 in one installment after the full

budget is passed. The Heads of Departments and the District level officers should indicate in the allotment letter the head of account in the Detailed Budget Estimates as well as that in the Appendix IV. The drawing and disbursing officers of the Local Bodies will prepare separate grant-in-aid bills for each major head and present to the treasury for transfer crediting it to their fund account under the head of account “8448 Deposits of Local Funds”. They should ensure that the head of account in the Detailed Budget Estimates and the head of account 8448 Deposits of Local Bodies alone are indicated in the grant-in-aid bill. (The Head of account in Appendix IV should not be shown in the grant-in-aid bill). The countersignature of the controlling officer of the head of account will not be insisted. The Secretary of the Local Body institutions will limit the monthly expenditure to 1/4th of the allocations made by the Heads of Departments/District Level officers during the ‘Vote on Account’ period and 1/8th after the second installment of allotment is received. If additional expenditure over and above this limit is necessitated, sanction will be obtained from Government in the finance Department before incurring additional expenditure.

2. The pay and allowances of the staff in the Offices/Institutions brought under the control of the Panchayat Raj/Nagara Palika Institutions will be met direct from the departmental Heads of account, as at present.

3. The Local Bodies will keep detailed accounts in respect of each scheme implemented by them out of the funds provided by Government. Separate registers of expenditure for plan and non-plan schemes should be maintained. The funds should be utilized only for the schemes for which it is allotted. They will adopt in their Account Registers the same classification of budget head of account as shown in Appendix IV of the budget documents, for classification of expenditure/schemes.

4. The Secretary of each Local Body will furnish monthly statement of expenditure to the concerned Heads of Department/District Officers in the first week of the succeeding month and the District Officers will consolidate the figures of each District and send to the concerned Head of Department in the second week of the succeeding month for State level consolidation. The Heads of Departments concerned

will furnish the consolidated statement to the Local Administration Department and Finance Department before 20th of the succeeding month.

5. The unspent balance if any, out of the amount released to the Local Bodies will be reported to the Heads of Departments/the District level Officers of the Department at the close of the financial year with supporting reasons thereof. The unspent balance if any, at the end of the financial year will be reported to the Head of Department by the District level officer for adjustment towards next years' grant to be released to the concerned Local Bodies.

6. In the case of payment for 'works' the instructions issued in the G.O. read as second paper above will prevail.

7. There may be instances in which the provision for scheme transferred to local bodies have been proposed and included under the heads of account of the department in the budget estimate 1996-97. In such cases, funds are to be re-appropriated to the heads of accounts of the local bodies. The Heads of departments will identify such cases if any, and intimate to Finance Department the details of the amounts to be transferred to the respective local bodies. The Heads of departments will identify such cases if any, and intimate to Finance Department the details of the amounts to be transferred to the respective local bodies. Finance Department will issue re-appropriation orders in such cases. This should be done before 30-4-1996.

8. The instructions/guidelines in this G.O. are operative from 1-4-1996 onwards.

By order of the Governor,

K.M. CHANDRASEKHAR,
Commissioner and Secretary (Finance)

To

The Accountant General (Accounts and Entitlement) Kerala, Thiruvananthapuram.
The Principal Accountant General (Audit) Kerala, Thiruvananthapuram.
All Heads of Departments
All Local Body Institutions etc
All Departments in the Government Secretariat.