CHAPTER – XIII
FINANCE

Rule No	Old Rule Book	New Rule Book (Including Correction / Addition / Deletion)	Authority	Remarks
13.01	**GENERAL** The basic aim of financial administration in a Sainik School is optimum utilisation of financial resources for achieving the declared aims and objectives of the school.	**GENERAL** **13.01.** The basic aim of financial administration in a Sainik School is optimum utilisation of financial resources for achieving the declared aims and objectives of the school.		Amended
13.02	Efficient management of finances, therefore, shall include:- (a) Proper anticipation of income and expenditure. (b) Judicious mobilization of resources, includinglong/short term	**13.02.** Efficient management of finances, Therefore, shall include (a) Proper anticipation of income and expenditure. (b) Judicious mobilization of resources, including long/ short term investments of funds surplus to immediate requirement.		Syntax Change
	investments of funds surplus to immediate requirement. (c) Correct budgeting to cater for all types of capital and recurring expenses. (d) Thoroughness in procurement planning to avoid to avoid last minute rushing to the market. (e) Implementation, in spirit, of policies and procedures governing purchases/sales. (f) Proper storage and safe custody of stores and cash to avoid any losses by damage, defalcation or theft. (g) Accuracy in accounting of cash and stores. (h) Effective periodical checks, including surprise checking of cash, stores, and accounts, and arrangements for concurrent audit.	(c) Correct budgeting to cater for all types of capital and recurring expenses. (d) Thoroughness in procurement planning to avoid crisis management. (e) Correct interpretation and implementation of policies, guidelines and additional SOPs/ circulars and procedures governing purchases/sales. (f) Proper provisioning, procurement, storage and safe custody of stores and cash(as applicable), to avoid any losses by damage, defalcation or theft. (g) Accuracy in accounting of cash and stores. (h) Effective periodical checks, including surprise check of cash, stores, accounts and arrangements for concurrent audit.		

13.03	Efficient administration of finances in a Sainik School will be the responsibility of the Principal, who may, while functioning within the broad guidelines contained in this Chapter, lay down detailed policies and procedures to cater for local conditions. The Registrar of the school will be responsible to him for proper, accurate and regular maintenance of accounts. In the discharge of his duties, the Registrar will be assisted by the Accountant, the Quartermaster, the clerks placed under their control as also by all other store-holders. He will maintain close liaison with the Quartermaster, the Office Superintendent, the Mess Manager and other Store holders to ensure proper implementation of the laid down policies. The Accountant shall also be responsible for maintaining the accounts of the school in the manner prescribed and get them audited.	**13.03.** Efficient financial management in a Sainik School will be the responsibility of the Principal, who may, while functioning within the broad guidelines contained in this Chapter, lay down detailed policies and procedures to cater for local conditions. The Administrative Officer of the school will be responsible to him/ her for proper, accurate and regular maintenance of accounts. In the discharge of his/ her duties, the Administrative Officer will be assisted by the Accountant, the Quartermaster, the clerks placed under their control as also by all other store-holders. The Accountant will function as financial adviser to the Principal and the Administrative Officer. He will maintain close liaison with the Quartermaster, Office Superintendent, Mess Manager and other Store holders to ensure proper implementation of the laid down policies. The Accountant shall also be responsible for maintaining the accounts of the school in the manner prescribed and get them audited. "Every officer incurring or authorizing expenditure of public funds be guided by high standards of financial propriety, should enforce financial order and economy, exercise same vigilance and prudence in expenditure of public money as he would, for his own personal money"- **GFR Rule 21.**		Amended
13.04	**<u>ANTICIPATION OF INCOME AND EXPENDITURE</u>** The main sources of income in a Sainik School, being fees and scholarships, the Principal will carefully regulate the intake of students every year within the framework stipulated in Para 3.02	**<u>ANTICIPATION OF INCOME AND EXPENDITURE</u>** **13.04.** The main sources of income in a Sainik School, being fees and scholarships, the Principal will carefully regulate the intake of students every year within the framework stipulated in Rule 3.08.		No Change

13.05	**MOBILIZATION OF RESOURCES** The rising prices and the mounting expenditure on establishment, necessitate mobilization of all possible resources. The Principal, will, therefore, ensure that the school's reserves are invested judiciously according to the orders of the Board of Governors. He will ensure that only funds enough for immediate recurring expenditure are kept in the Current account Beside the Current account, he will open a Savings Fund Account to earn interest on funds required within six months. These funds can be transferred from the saving to current account on as required basis. He will also ensure that commercial ventures undertaken by the school are run efficiently for proportionate and fair profits. Subject to local conditions and limited strain on the instructional staff, without at the same time compromising the main objectives of the school, he may create regular sources of additional income by investing reasonable amounts in:- (a) Agriculture farm/orchard (b) Dairy Farm (c) Piggery (d) Bakery (e) CSD Canteen (f) Printing Press and binding shop (g) Flour Mill (h) Cafeteria/Wet Canteen (j) Cinema Manufacture and supply of utility items like soap, washing and utensil cleaning powders, chalk sticks, shoe polish, hair oil, etc, during Socially Useful Productive Work Classes. (l) Any other venture which is considered (k) profitable but is neither too much of a distraction nor in any way unethical.	**MOBILIZATION OF RESOURCES** **13.05.** The rising prices and the mounting expenditure on establishment, necessitate mobilization of all possible resources. The schools will maintain one current and a savings account in a nationalized bank. All the government grants (public funds) will be credited into Current account and school funds into Savings account. The Principal, will, thereafter, ensure that the school's funds are invested judiciously according to the orders of the Board of Governors. It will be ensured that only funds enough for immediate recurring expenditure are kept in the savings account. Rest of the school funds may be invested in Term Deposits to earn more interest. These funds can be transferred from the Term deposits to Savings account on as required basis. He/ She will also ensure that commercial ventures undertaken by the school are run efficiently for proportionate and fair profits. Subject to local conditions and limited strain on the instructional staff, without compromising the main objectives of the school, he/ she may create regular sources of additional income by investing reasonable amounts in:- (a) Agriculture farm/orchard (b) Dairy Farm (c) Piggery (d) Bakery (e) CSD Canteen (URC) (f) Printing Press and binding shop (g) Flour Mill (h) Cafeteria/ Wet Canteen (j) Cinema (k) Manufacture and supply of utility items like soap, washing and utensil cleaning powders, chalk sticks, shoe polish, hair oil etc, (l) Any other venture such as Nursery/ Primary School which is considered profitable but is neither too much of a distraction nor in anyway unethical.		Proper investment of Funds emphasised

13.06	**BUDGETING** The Principal will prepare a budget in advance for every year. He will ensure that income from various sources is not under or over estimated and that interest on school's reserves is shown as a distinct item on the income side of the budget. He will obtain and get the anticipated annual requirements of all sections of the school, and show details of budgeted, capital and recurring expenditure in two separate sections of the budget. While making budgetary provisions, he will be guided by the actuals vis-à-vis the budgeted amounts under each head in the current and in the last year. To avoid frequent re-appropriations of the budget, he will also take into account the impact of likely price escalations and of increments and DAs/ADAs granted or likely to be granted.	**Budget Estimate(BE)** **13.06.** The Principal will prepare a budget in advance for every year. He will ensure that income from various sources is not under or over estimated and that interest on school's reserves is shown as a distinct item on the income side of the budget. He will obtain and get the anticipated annual requirements of all sections of the school, and show details of budgeted, capital and recurring expenditure in two separate sections of the budget. While making budgetary provisions, he will be guided by the actuals vis-à-vis the budgeted amounts under each head in the current and in the last year. To avoid frequent re-appropriations of the budget, he will also take into account the impact of likely price escalations and of increments and DAs/ADAs granted or likely to be granted.	Letter No 3(7)/02/D(SSC)- 18 Jun 2002 on Preparation and Approval of Budget Proposals- Sainik Schools	Discussion of Budget in LBA Meeting included
13.07	The expenditure under any head may exceed by 10% of the amount allotted. The total expenditure, however, must never exceed the total budgetary allocation for the year. Re-appropriation sought by the Principal despite this stipulation will be viewed as instances indicative of lack of foresight and planning, unless there are valid reasons necessitating such re-appropriations.	**13.07.** The expenditure under any head may exceed by 10% of the amount allotted. The total expenditure, however, must never exceed the total budgetary allocation for the year. Re-appropriation sought by the Principal despite this stipulation will be viewed as instances indicative of lack of foresight and planning, unless there are valid reasons necessitating such re-appropriations.		No Change
13.08	The budget prepared by the Principal will be discussed in a meeting of the Local Board of Administration. With the recommendations of the Board, it will be forwarded to the Board of Governors for their approval.	**13.08.** The budget including revised estimate prepared by the Principal will be discussed in a meeting of the Local Board of Administration and approved by the LBA.		As per charter of LBA in Chapter two

13.09	**PROCUREMENT PLANNING** The Principal will so plan bulk procurement of stores required as to get a major part of the school's requirements from the manufacturers or their sole selling agents/authorised dealers so that the middle man's profit could be reduced if not altogether eliminated. If an item is being manufactured by two or more equally good companies, he may enter into a rate contract by obtaining limited tenders and deciding in favour of the company offering better quality or higher trade discount on their printed whole sale/retail rate lists. He may contact the DGS & D for bulk supplies at rates contracted by them, provided the department is prepared to grant the Principal the status of Direct Demanding Officer. For agricultural products and other items required to be bought and stocked in bulk, the Principal shall preferably resort to procurement through government agencies supplying the items on subsidized/fixed rates. Where no such sources can be tapped, he may make bulk purchases from the wholesale market at the most suitable time of the year through a Local Purchase Committee. Such advanced stocking must, however, be so planned as to ensure optimum use of school transport and to obviate purchases at inflated rates during the scarcity/festival seasons. As a broad guideline, no Principal should have to spend more than 25% of the allocation under any head for piece meal procurements.	**PROCUREMENT PLANNING** **13.09.** The Principal will plan procurement of goods and services so as to ensure optimum utilization of available funds. All expenditure is to be governed by GFR as amended from time to time.		Procurement planning elaborated
13.10	As far as possible, the expenditure will be spread evenly over the whole year to avoid purchases during the last three months of the year, when the market becomes buoyant because of rush of Govt purchases, or in anticipation of fresh taxation being levied in the ensuing financial year.	**13.10.** As far as possible, the expenditure will be spread evenly over the whole year to avoid purchases during the last three months of the year, when the market becomes buoyant because of rush of Government purchases, or in anticipation of fresh taxation being levied in the ensuing financial year.		No Change

13.11	**POLICIES GOVERNING PURCHASES/SALES** All policies laid down in the subsequent paragraphs in this chapter to cover purchases and sales will be followed scrupulously. Whenever a purchase is made in violation of any of the Rules/procedures laid down hereafter, it will be specifically brought to the notice of the L.B.A. The reasons for ignoring the laid down rules will be explained to the satisfaction of the L.B.A. and their approval recorded in the minutes of the meeting.	**POLICIES GOVERNING PURCHASES/ SALES** **13.11.** All policies laid down in the subsequent paragraphs in this chapter to cover purchases and sales will be followed scrupulously. Whenever a purchase is made in violation of any of the Rules/procedures laid down hereafter, it will be specifically brought to the notice of the L.B.A. The reasons for ignoring the laid down rules will be explained to the satisfaction of the L.B.A. and their approval recorded in the minutes of the meeting. Any issues which are not explicitly covered in the Rules, GFR/ DPM is to be consulted and followed.		Purchase policy under GFR/DPM
13.12	**STORAGE AND CUSTODY** Proper storage and safe custody of all cash, stores, and equipment will be the responsibility of the Principal. If the storage space available in the school is not enough he will avoid advanced stocking or bulk purchases of stores, and enter into rate contracts instead, for piece meal supplies on as required basis.	**STORAGE AND CUSTODY** **13.12.** Proper storage and safe custody of all cash and goods stores and equipment will be the responsibility of the Principal. If the storage space available in the school is not enough he/ she will avoid advanced stocking or bulk purchases of stores, and enter into rate contracts instead, for piece meal supplies on as required basis.		Storage and care of stores elaborated
13.13	**ACCOUNTING OF CASH AND OF STORES** The importance of using utmost care for proper accounting of cash and stores cannot be over emphasised. The Principal, will, therefore, ensure that account books are maintained regularly and that all supporting documents are in order. He will also ensure that all stores are properly accounted for in separate ledgers maintained for expendable and non-expendable items. Vouchers to support each receipt/issue/expense/load transaction will be readily available for verification at any time. Ways and means will be devised to promptly discover losses. The losses so discovered will be regularized through proper vouchers. The individuals responsible for losing stores by neglect will be suitably penalized to make good the loss to the school, if any.	**ACCOUNTING OF CASH AND OF STORES** **13.13.** The importance of using utmost care for proper accounting of cash and stores cannot be over emphasised. The Principal, will, therefore, ensure that account books are maintained regularly and that all supporting documents are in order. He/ She will also ensure that all stores are properly accounted for in separate ledgers maintained for expendable and non-expendable items. Vouchers to support each receipt/ issue/ expense/ loan transaction will be readily available for verification at any time. Ways and means will be devised to promptly discover losses. The losses so discovered will be regularized through proper vouchers. The individuals responsible for losing stores by neglect will be suitably penalized to make good the loss to the school, if any.		No Change

13.14	**PERIODIC CHECKS AND AUDIT** Periodic checks by the Principal and by the Registrar/Headmaster are necessary for timely detection of any loss by misappropriation or by fraud. The Principal will, therefore, ensure that such surprise checks are carried out at least once in every month and that certificates to this effect are endorsed in the cash books and store ledgers suitably. He will also carry out such surprise checks of stores to ensure their proper accounting. Expendable stores will be written off periodically and regularly on the basis of proper expense vouchers, duly countersigned by the Registrar or by the Headmaster as the case may be.	**PERIODIC CHECKS AND AUDIT** **13.14.** Periodic checks by the Principal and by the Administrative Officer / Vice Principal are necessary for timely detection of any loss by misappropriation or by fraud. The Principal will, therefore, ensure that such surprise checks are carried out at least once in every month and that certificates to this effect are endorsed in the cash books and store ledgers suitably. He/ She will also carry out such surprise checks of stores to ensure their proper accounting. Expendable stores will be written off periodically and regularly on the basis of proper expense vouchers, duly countersigned by the Administrative Officer or by the Vice Principal as the case may be.		No Change
13.15	To ensure that accounting mistakes and procedural irregularities, if any, are detected within a quarter and corrected promptly rather than being repeated throughout the year, the Principal will arrange for concurrent audit by the L.A.O. and ensure that full cooperation is extended to the Audit authorities. A copy or Audit objections and action taken thereon will be sent to the Honorary Secretary for information.	**13.15.** To ensure that accounting mistakes and procedural irregularities, if any, are detected within a quarter and corrected promptly rather than being repeated throughout the year, the Principal will arrange for concurrent audit by the LAO and ensure that full cooperation is extended to the Audit authorities. All outstanding audit objections and the replies thereto will be tabled at the LBA meetings.		Outstanding audit objections to be fwd to LBA added
13.16	**RULES AND PROCEDURAL FORMALITIES** The contents of the above paragraphs being mere broad guide lines, detailed rules covering different aspects of school accounts, and procedural formalities involved in proper implementation of these rules, are given in different paragraphs below, subject-wise.	**RULES AND PROCEDURAL FORMALITIES** **13.16.** The contents of the above paragraphs being mere broad guide lines, detailed rules covering different aspects of school accounts, and procedural formalities involved in proper implementation of these rules, are given in different paragraphs subsequently, subject-wise.		No Change

13.17	**<u>GRANT IN AID AND SPECIFIC CHARGES</u>** As a matter of rule, recurring grants provided by the State Govt for maintenance of buildings or for other purposes like equitation, payment of municipal taxes, construction of additional buildings, replacements, advertisement charges for the entrance examination, etc. shall be utilised for the purpose for which they are sanctioned. Although credited to the school fund account on receipt, such amounts will be accounted for separately in the budget. The unspent balances, if any, will be held in the sundry account until refunded to the Govt. Where permission has been obtained in writing for alternative utilisation of such unspent balances, the amounts will be treated as fresh grants-in-aid specifically sanctioned for such other purposes.	**<u>GRANT IN AID AND SPECIFIC CHARGES</u>** **13.17.** As a matter of rule, recurring grants provided by the State Govt for maintenance of buildings or for other purposes like equitation, payment of municipal taxes, construction of additional buildings, replacements, advertisement charges for the entrance examination, etc, shall be utilised for the purpose for which they are sanctioned. On receipt, such amounts will be credited into current account and accounted for separately in the budget. Permission will be obtained in writing for alternative utilisation of any unspent balances/ amounts will be treated as fresh grants-in-aid specifically sanctioned for such other purposes.		Permission in writing from State Govt for utilisation of unspent balance for alternative utilization added
13.18	Likewise, fines imposed to recover the cost of willful damage to school property and specific charges realized for similar other purposes, will be utilised specifically for these purposes. Unspent balances will be held in the sundry account until utilised. Alternatively, they will be diverted into the welfare account and utilised for providing additional amenities or credited to the catering allocation for providing wholesome and enriched diet. This provision will be applicable to general fines also.	**13.18.** Likewise, penalties imposed to recover the cost of willful damage to school property and specific charges realized for similar other purposes, will be utilised specifically for these purposes. Unspent balances will be held in the sundry account until utilised. Alternatively, they will be diverted into the welfare account and utilised for providing additional amenities or credited to the catering allocation for providing wholesome and enriched diet. This provision will be applicable to general fines also.		No Change
13.19	Income from grants-in-aid and specific levies will be shown separately in Part II of the Annual Budget.	**13.19.** Funds received as grants-in-aid will be shown separately in the Annual Budget.		Amended

13.20	The surplus of income of all kinds over expenditure will be yearly saving which will be deposited as a School Reserve Fund. The intention of Reserve Fund is to build up reserve to ensure that after a period of time, the school becomes fully self supporting and then the normal expenditure of the school would be met from the interest of the Reserve Fund. In case exigencies compel withdrawal of money from the Reserve Fund, the proposals will have to be got approved first by the L.B.A. and then the proposal sent to the Honorary Secretary, Sainik Schools Society, for further consideration. The Principals are not empowered to draw any amount from the Reserve Fund.	**13.20.** The surplus of income of all kinds over expenditure will be yearly saving **and** deposited as a School Reserve Fund. The intention of Reserve Fund is to build up reserve to ensure that after a period of time, the school becomes fully self sustaining and then the normal expenditure of the school would be met from the interest of the Reserve Fund. In case exigencies compel withdrawal of money from the Reserve Fund, the proposals will have to be recommended by the LBA and then the proposal be sent to the Honorary Secretary, for approval. The Principals are not empowered to draw any amount from the Reserve Fund. All excess income over expenditure from the ancillary activities shall be treated as income of the school and transferred to the reserve fund and welfare fund in the ratio of 90% and 10% respectively.		Amended
13.21	Whenever an amount is sanctioned by the Honorary Secretary, Sainik Schools Society, out of the reserve Fund, the amount so drawn should be shown as a distinct item of income in the Income and Expenditure Account of the school for the year in which the amount is drawn.	**13.21.** Whenever an amount is sanctioned by the Sainik Schools Society, out of the Reserve Fund, the amount so drawn should be shown as a distinct item of income in the Income and Expenditure Account of the school for the year in which the amount is drawn.		No Change
13.22	A completion report showing the utilisation of the amount drawn from the Reserve Fund with full details regarding the quotations called for, quotations accepted, actual expenditure incurred on individual items etc should be furnished to the Honorary Secretary within one month of utilisation of the amount.	**13.22.** A completion report showing the utilisation of the amount drawn from the Reserve Fund with full details regarding the quotations called for, quotations accepted, actual expenditure incurred on individual items etc should be furnished to the Honorary Secretary within one month of utilisation of the amount.		Report simplified
13.23	The interest earned on the Reserve Fund will form part of the Reserve Fund. However, the interest on Reserve Fund may be spent with the approval of the L.B.A. upto an amount and for the purpose as authorised by the Board of Governors in accordance with delegation of powers to the Local Board of Administration from time to time.	**13.23.** The interest earned on the Reserve Fund will form part of the Reserve Fund and may be used as per guidelines given at Para 13.20.		Interest earned on Reserve Fund

13.24	**INVESTMENT OF FUNDS AND CUSTODY OF F.D.R.** The Reserve Fund, together with the amount likely to become available as income over the expenditure for the year, shall be invested in long term deposits with any of the nationalized banks and not more than 50% of the investment may be made with the Public Sector Undertakings in accordance with the policy laid down by the Board of Governors from time to time.	**INVESTMENT OF FUNDS AND CUSTODY OF F.D.R** **13.24.** The Reserve Fund, together with the amount likely to become available as income over the expenditure for the year, shall be invested in long term deposits with any of the nationalized banks and not more than 50% of the investment may be made with the Public Sector Undertakings in accordance with the policy laid down by the Board of Governors from time to time.		No Change
13.25	Each School shall maintain a Saving Fund Account and a Current Account, both jointly operated by the Principal and the Registrar.	**13.25.** All school accounts will be jointly operated by the Principal and the Administrative Officer.		Jointly operation of school account
13.26	Fluid cash just enough for normal monthly requirements of the school will be retained in the Current Account. The balance will be either retained in the Savings Fund Account or invested in term deposits for period exceeding 6 months. The Reserve Fund, together with the amount likely to become available as income over expenditure for the year, shall be suitably invested in long term deposits, government securities and public sector debentures/deposits in accordance with the policies laid down by the Board of Governors from time to time.	**13.26.** Liquid cash just enough for normal monthly requirements of the school will be retained in the Savings Account. The balance will be invested in term/ fixed deposits.		Point repeated regarding investment of funds deleted
13.27	Accumulations in the CPF, GPF and pension fund will be invested separately in accordance with the policy laid down by the society from time to time.	**13.27.** Accumulations in the GPF and Pension fund will be invested separately in accordance with the policy laid down by the Sainik Schools Society from time to time.		CPF deleted
13.28	The Fixed Deposit Receipts shall be kept in the custody of the Registrar in a steel safe embedded into a wall or a floor of his office. A summary of the deposits so made shall be available with the Principal for his information and with the Accountant for timely crediting of interest/reinvestment.	**13.28.** The Fixed Deposit Receipts shall be kept in the custody of the Administrative Officer in a steel safe embedded into a wall or a floor of his office. A summary of the deposits so made shall be available with the Principal for his information and with the Accountant for timely crediting of interest/ reinvestment.		No Change
13.29	If the Principal considers it so advisable, these FDRs may be kept in the safe custody of the bank, with specific instructions regarding timely transfer of interest into the school account. In all such cases, however, the receipt/acknowledgement issued by the bank will be kept in safe custody of the Registrar.	**13.29.** If the Principal considers it so advisable, these FDRs may be kept in the safe custody of the bank, with specific instructions regarding timely transfer of interest into the school account. In all such cases, however, the receipt/ acknowledgement issued by the bank will be kept in safe custody of the Administrative Officer.		No Change

13.30	Sainik School shall maintain accounts with the nationalized banks only.	**13.30.** Sainik School shall maintain accounts with the nationalized banks only.		No Change
13.31	Separate account will be maintained for each ancillary activity.	**13.31.** Separate account will be maintained for each ancillary activity.		No Change
13.32	All school accounts will be operated jointly by the Principal and the Registrar.	**13.32.** All school accounts will be operated jointly by the Principal and the Administrative Officer.		Net Banking provision added
13.33	Bank Statements in respect of all the accounts shall be obtained every month, and bank reconciliation statements prepared to keep track of cheques received but not credited or issued but not debited to the account. These bank reconciliation statement shall be put up to the Principal for his scrutiny and countersignatures by the 10th day of each month.	**13.33.** Bank Statements in respect of all the accounts shall be obtained every month and bank reconciliation statements prepared to keep track of cheques received but not credited or issued but not debited to the account. This bank reconciliation statement shall be put up to the Principal for his scrutiny and countersignatures by the 10th day of each month.		No Change
13.34	**<u>CASH LIMITS AND SAFE CUSTODY OF CASH</u>** No school will ordinarily hold cash in excess of Rs. 5,000/- at the close of any day. This cash holding will, however, be over and above the cash held by the commercial institutes or by individuals maintaining imprest advances. Where some unforeseen receipts after bank hours or on bank holidays increase this cash holding, the school will take the following steps, to avoid any heavy loss by theft/fire or by a natural calamity:- (a) The safe will be insured for Rs.10,000/- (b) If the amount in the safe exceeds Rs.10,000/- additional guards will be provided and the night rounds by the security in-charge	**<u>CASH LIMITS AND SAFE CUSTODY OF CASH</u>** **13.34.** No school will ordinarily hold cash in excess of Rs. 5,000/- at the close of any day. This cash holding will, however, be over and above the cash held by the commercial institutes or by individuals maintaining imprest advances. Where some unforeseen receipts after bank hours or on bank holidays increase this cash holding, the school will take the following steps, to avoid any heavy loss by theft/fire or by a natural calamity:- (a) The safe will be insured for Rs.10,000/- (b) If the amount in the safe exceeds Rs.10,000/- additional guards will be provided and the night rounds by the security in-charge		1. Increasing limit of holding cash 2. Safe custody of cash

	suitably increased for the duration. (c) The excess cash amount shall be deposited in the Bank the next working day and for this purpose, the school vehicle will be suitably escorted.	suitably increased for the duration. (c) The excess cash amount shall be deposited in the Bank the next working day and for this purpose, the school vehicle will be suitably escorted.		
13.35	Where there is no branch or extension of a Bank on the school premises, the Accountant or one of the Accounts Clerks functioning as cashier may be authorised to carry cash from the school to the Bank. An appropriate cash in transit insurance and a fidelity insurance for Rs.10,000/-will, however, be taken for such individuals. The person carrying cash will invariably be accompanied by one or more persons detailed by the Registrar as escorts.	**13.35.** Where there is no branch or extension of a Bank in the school premises, the Accountant or one of the Accounts Clerks functioning as cashier may be authorised to carry cash from the school to the Bank. An appropriate cash in transit insurance and a fidelity insurance for Rs.10,000/-will, however, be taken for such individuals. The person carrying cash will invariably be accompanied by one or more persons detailed by the Administrative Officer as escorts.		Increasing in fidelity insurance
13.36	**PREPARATION OF BUDGET** The accounting year for a Sainik School shall be from 01 May to 30 Apr.	**PREPARATION OF BUDGET ESTIMATES(BE)** **13.36.** The financial year for a Sainik School shall be from 01 Apr to 31 Mar.		FY changed
13.37	Budget estimates for every financial year shall be prepared in advance and placed before the L.B.A. for their recommendations by 10th March every year. The Accountant will obtain the anticipated requirements of various sections and departments before preparing the budget for the ensuing year. He will also take into account the actuals for the previous year and the current year while preparing approximate budget estimates for the next year.	**13.37.** Budget estimates for every financial year shall be prepared in advance and placed before the L.B.A. for their approval by 10th Feb every year. The Accountant will obtain the anticipated requirements of various sections and departments before preparing the budget for the ensuing year. He will also take into account the actuals for the previous year and the current year while preparing approximate budget estimates for the next year.	No 3(7)/02/D(SSC)- 18 Jun 2002 Preparation and Approval of Budget Proposals- Sainik Schools	Budget preparation in advance
13.38	The Registrar will carefully get the requirements of different sections in consultation with the Headmaster and the Heads of various sections. After suitably pruning the demands, he will prepare tentative estimates	**13.38.** The Administrative Officer will carefully get the requirements of different sections in consultation with the Vice Principal and the Heads of various sections. After suitably pruning the demands, he/ she will prepare tentative estimates with the		No Change
	with the assistance of the Accountant and give them final shape under the directions of the Principal.	assistance of the Accountant and give them final shape under the directions of the Principal.		
13.39	A specimen budget giving the approved budget heads is given at Appendix 'L' to this Manual.	**13.39.** A specimen BE giving the approved budget heads is given at Appendix 'L' to this Rule Book.		No Change

13.40	**BUDGETARY CHECKS** For periodic scrutiny of the expenditure incurred, the Registrar will get the state of funds at the end of each month worked out by the 10th of the month following.	**BUDGETARY CHECKS** **13.40.** For periodic scrutiny of the expenditure incurred, the Administrative Officer will close the accounts by the end of each month. He/ She will put up the accounts to the Principal for countersignatures by the 10th of the *following* month.		
13.41	Where it is considered necessary to limit the expenditure under a particular head, the principal will promptly impose suitable restrictions and checks and closely watch each item of expenditure incurred under the budget head thereafter.	**13.41.** Where it is considered necessary to limit the expenditure under a particular head, the Principal will promptly impose suitable restrictions and checks and closely watch each item of expenditure incurred under the budget head thereafter.		
13.42	Re-appropriation of the budget, necessitated by anticipated, will be carried out as and when the L.B.A.meets after September/October. More than one re-appropriation in a financial year, however, will be indicative of poor anticipation or lack of financial control.	**13.42.** Re-appropriation of the budget, necessitated by circumstances that could not have been properly anticipated, will be carried out as and when the LBA meets after September. The revised BE or Revised Estimate (RE) in cases of changes and reprioritization of Procurement Plan will be put up to LBA for their approval		Added
13.43	**ACCOUNTING SYSTEM** The school account will be maintained in double entry system, subject to the proviso that separate accounts will also be maintained for each of the ancillary activities to assess their economic viability at the end of the year. Income and expenditure account for the school will be prepared at the end of every financial year, together with profit and loss accounts for each of the ancillary activities.	**ACCOUNTING SYSTEM** **13.43.** The school accounts will be maintained in double entry system, subject to the proviso that separate accounts will also be maintained for each of the ancillary activities to assess their economic viability at the end of the financial year. Income and expenditure account for all funds maintained by the school will be prepared at the end of every financial year, together with profit and loss accounts for each of the ancillary activities. Hard copies of these reports be maintained as accountable documents.		
13.44	**ACCOUNTING DOCUMENTS** Lists of registers and accounting documents, auditable or otherwise are given at Appendix 'M' to this Manual.	**ACCOUNTING DOCUMENTS** **13.44.** Lists of registers and accounting documents, auditable or otherwise are given at Appendix 'M' to this Rule Book.		
13.45	**CASH BOOKS** In each cash book brought into use, the pages will be serially numbered. A certificate will be given on the opening page of the cash book as per specimen given below:- "Certified that this cash book was brought into use on ______ and that it contains ____ pages serially numbered and initialled". The cashbooks will be neatly and accurately maintained in ink,	**CASH BOOKS** **13.45.** In each cash book brought into use, the pages will be serially numbered. A certificate will be given on the opening page of the cash book as per specimen given below:- "Certified that this cash book was brought into use on ____and that it contains ____pages serially numbered and initialed". The cashbooks will be neatly and accurately maintained in ink, with entries numbered and updated daily. Each entry in the		Proper maintenan ce of cash book

	with entries numbered and updated daily. Each entry in the cashbook will be initialled daily by the Registrar, and the cash in hand statement will be prepared separately for each of the cashbooks to tally the cash in hand. The cashbook will be periodically checked by the Principal and entries pertaining to these surprise checks made and dated. At the end of every month each cash book will be closed and details of sundry debtors and sundry creditors shown on the page used last	cashbook will be initialed daily by the Administrative Officer, and the cash in hand statement will be prepared separately for each of the cashbooks to tally the cash in hand. The cashbook will be periodically checked by the Principal and entries pertaining to these surprise checks made and dated. At the end of every month each cash book will be closed and details of sundry debtors and sundry creditors shown on the page used last. Reconciliation of the same will be carried out with the bank statement and certificate of reconciliation be signed by accountant and Administrative Officer and countersigned by the Principal.		
13.46	Erasing any of the entries with ink remover or with rubber eraser is strictly prohibited. Where an entry has to be corrected, the amount written incorrectly shall be scored out and the correct amount re-written above the wrong entry. The correction will be initialed by the Registrar. This provision will be applicable to all auditable documents.	**13.46.** Erasing any of the entries is strictly prohibited. Where an entry has to be corrected, the amount written incorrectly shall be scored out and the correct amount re-written above the wrong entry. The correction will be initialed by the Administrative Officer. This provision will be applicable to all auditable documents.		
13.47	To properly delineate the closing entries in the cash book, lines single and double will be drawn in red ink at the same level on both receipt and payment sides. The totals for receipts and payments will be shown in the 1st column. The cash in Hand/Bank and the debit balance, if any, will be shown in the column below it. The grand totals for both the sides will be written below the cash in Hand/Bank entry.	**13.47.** To properly delineate the closing entries in the cash book, lines single and double will be drawn in red ink at the same level on both receipt and payment sides. The totals for receipts and payments will be shown in the 1st column. The cash in Hand/ Bank and the debit balance, if any, will be shown in the column below it. The grand totals for both the sides will be written below the cash in Hand/ Bank entry.		
13.48	**<u>LEDGERIZATION OF ENTRIES</u>** Accounts will be updated regularly and continuously. All entries made in the cashbook and in subsidiary books during a month will be ledgerised under the overall supervision of the Accountant by the 10th day of the month following. The accountant will ensure that the accounts under different heads are so tallied as to reconcile them correctly to paise.	**<u>LEDGERIZATION OF ENTRIES</u>** **13.48.** Accounts will be updated regularly and continuously. All entries made in the cashbook and in subsidiary books during a month will be ledgerised under the overall supervision of the Accountant by the **5th** day of the month following. The accountant will ensure that the accounts under different heads are so tallied as to reconcile them correctly to the paise.		

13.49	The trial balance will be prepared quarterly to eliminate any possibility of errors being carried forward. The state of funds will be worked out carefully every month and put up to the Principal by the 10th of the month following to facilitate budgetary checks by him. This state of funds must clearly show the expenditure committed and the unexpended balance available.	**13.49.** The trial balance will be prepared quarterly to eliminate any possibility of errors being carried forward. The state of funds will be worked out carefully every month and put up to the Principal by the 10th of the month following to facilitate budgetary checks by him. This state of funds must clearly show the expenditure committed and the unexpended balance available.		
13.50	**SALARIES REGISTER** Salaries will be disbursed through salary registers maintained separately for the teaching staff, the administrative staff and the general employees.	**SALARIES REGISTER** **13.50.** Salaries will be disbursed through acquaintance/ pay roll and credited to respective employee accounts through DBT (direct bank transfer), preferably through NEFT/ RTGS.		Salaries through NEFT/RTGS
13.51	To enable the accountant to prepare details of salaries to be disbursed, the following information will be furnished to him by respective heads of Branches/sections by the 25th of each month:- (a) New appointments, if made during the month, with pay scales and allowance granted. (b) Resignations accepted/terminations ordered with specific orders regarding recoveries to be made and the dates from which the resignations/terminations are to be effective. (c) Increments sanctioned/stopped during the month. (d) Confirmation approved, with specific orders regarding provident fund deductions, if any. (e) Penal deduction/fines imposed. (f) Leave without pay sanctioned during the month. (g) Bills in respect of payment issue items. (h) Recoveries to be made in respect of electricity, water , cinema, rent, income tax, provident fund advances drawn, etc.	**13.51.** To enable the accountant to prepare details of salaries to be disbursed, the following information will be furnished to him by respective heads of Branches/ sections by the 25th of each month:- (a) New appointments, if made during the month, with pay scales and allowance granted. (b) Resignations accepted/ terminations ordered with specific orders regarding recoveries to be made and the dates from which the resignations/terminations are to be effective. (c) Increments sanctioned/ stopped during the month. (d) Confirmation approved, with specific orders regarding provident fund deductions, if any. (e) Penal deduction/ fines imposed. (f) Leave without pay sanctioned during the month. (g) Bills in respect of payment issue items. (h) Recoveries.		

13.52	The salary details will be made available to the members of staff for scrutiny by the last day of the month. Where pay is to be remitted directly to the bank accounts of the employees, the members of the staff will be required to sign the salary register/pay rolls at least one day prior to the expected date of disbursement. The signature will be appended by them over revenue stamps.	**13.52.** The salary details will be made available to the members of staff for scrutiny by the last day of the month. Where pay is to be remitted directly to the bank accounts of the employees, the members of the staff will be required to sign the salary register/pay rolls at least one day prior to the expected date of disbursement. The signature will be appended by them over revenue stamps.		Revenue stamp if paid cash above Rs.5000/-
13.53	**PROVIDENT FUND ACCOUNT** Provident Fund account will be maintained separately in respect of each confirmed member of the school staff. Rule governing the provident fund are given separately.	**PROVIDENT FUND ACCOUNT** **13.53.** Provident Fund account will be maintained separately in respect of each confirmed member of the school staff. Rule governing the provident fund are given separately.		

13.54	**<u>SCHOLARSHIPS AND FEES</u>** Bills in respect of payments to be made by the parents will be issued out by the middle of April. Remittances can be received without fine till the 10th of May but fine thereafter till 30th of June. In case fees are paid by the parents on term basis remittances shall be payable by the 10th of the month/previous to the term concerned.	**<u>SCHOLARSHIPS AND FEES</u>** **13.54.** Bills in respect of payments to be made by the parents will be issued out by the mid April. Remittances can be received without fine till the reopening of the school after summer vacation or till 30th of June, whichever is later but *penalty* will be charged thereafter. In case fees are paid by the parents on term basis remittances shall be payable by the 10th of the first month of the term concerned.		
13.55	Bills in respect of scholarships payable by the Ministry of Defence/Education, State Govts, and by the Union Territories will be forwarded to the concerned scholarship sanctioning authorities by the 15th of May. Such bills in respect of students to be admitted in class VI and IX, or to be re-admitted in class XI after their secondary school examination results, will be submitted separately by the 31st July at the latest. The Govts concerned will be liable to pay the scholarships in advance. Where the state govts delay such payments, the Principal may require the parents to deposit the amount in advance on monthly basis with the provision that the amount so deposited will be refunded to the parents as and when the scholarship is sanctioned and received.	**13.55.** Bills in respect of scholarships payable by the Ministry of Defence, State Governments and by the Union Territories will be forwarded to the concerned scholarship sanctioning authorities by the 15th of July. Such bills in respect of cadets to be admitted in class VI and IX, or to be re-admitted in class XI after their secondary school examination results, will be submitted separately by the 31st July at the latest. The Governments concerned will be liable to pay the scholarships in advance. Where the State Governments delay such payments, the Principal may require the parents to deposit the amount in advance on monthly basis with the provision that the amount so deposited will be adjusted in the cadets accounts when the scholarship is received.		Adjustment of payments
13.56	In case fees are not paid by the guardians/parents in respect of their children, the Principal shall have the discretion, depending upon the merits of each case, to order withdrawal of the child of the defaulting parent and deduct the school dues from the caution money or to send a notice to the parent/guardian concerned for payment of school dues with late fee by a date stipulated in such notices.	**13.56.** In case fees are not paid by the guardians/ parents in respect of their children, the Principal shall have the discretion, depending upon the merits of each case, order withdrawal of the child of the defaulting parent and deduct the school dues from the caution money or to send a notice to the parent/ guardian concerned for payment of school dues along with late fee by a date stipulated in such notices.		

13.57	**PROCESSING OF BILLS FOR PASS ACTION** Each bill, will be examined carefully for the following before it is passed for payment or for adjustment against advance drawn:- (a) The bill is prepared in ink or in copying pencil and is duly signed. (b) Purchase of items listed in the bill has been sanctioned already. (c) The rate charged is as per the quotations approved or as per the rate contract entered into for the whole year. (d) The discount agreed upon, or normally allowed to educational institutions, is deducted from the base value before charging sales tax etc. (e) The bill is arithmetically correct and does not contain any over writing or erasures except these made and initialled by the proprietor. (f) A certificate is enclosed by the store holder on the reverse of the bill to confirm that the items listed in the bill have been correctly received and taken on ledger charge at pages mentioned against each item in the receipt voucher as also on the bill. The certificate will be signed by the store holder and countersigned by the Headmaster or the Registrar with his seal of Office, depending upon who is responsible for checking and initialing the entries made in the ledgers. (g) The head of account to which the expenditure is to be debited is indicated correctly by the Accountant.	**PROCESSING OF BILLS FOR PASS ACTION** **13.57.** Each bill, will be examined carefully for the following before it is passed for payment or for adjustment against advance drawn:- (a) The bill is prepared in ink and is duly signed or computer generated (b) Purchase of items listed in the bill has been sanctioned already. (c) The rate charged is as per the quotations approved or as per the rate contract entered into for the whole year. (d) The discount agreed upon, or normally allowed to educational institutions, is deducted from the base value before charging sales tax, etc. (e) The bill is arithmetically correct and does not contain any over writing or erasures except these made and initialed by the proprietor. (f) A certificate is enclosed by the store holder on the reverse of the bill to confirm that the items listed in the bill have been correctly received and taken on ledger charge at pages mentioned against each item in the receipt voucher as also on the bill. The certificate will be signed by the store holder and countersigned by the Vice Principal or the Administrative Officer with his seal of Office, depending upon who is responsible for checking and initialing the entries made in the ledgers. (g) The head of account to which the expenditure is to be debited is indicated correctly by the Accountant.		
13.58	The bill, duly checked by the accountant, will be recommended by the Headmaster or Registrar before they are put up to the Principal for Payment orders.	**13.58.** The bill, duly checked by the accountant, will be recommended by the Administrative Officer after instituting necessary checks before they are put up to the Principal for Payment orders.		

13.59	**PAYMENTS** As far as possible, no advance payments shall be agreed to or authorised by the Principal. All credit bills will normally be paid by "Account Payee" cheques only. However, if the Govt Departments, corporations, sole selling agents, reputed dealers, or wholesalers marketing the items at highly competitive rates, are not prepared to accept cheques because of the delays in clearance, crossed demand drafts may also be issued. Transactions involving cash payments exceeding Rs 2,000 and all advance payments made in exceptional circumstances will be explained to the L.B.A. for their ex-post-facto approval, who after consideration shall issue such directions, as considered appropriate in each case. All cases of advance payments exceeding Rs.5,000 in value shall be reported to the Honorary Secretary seeking approval.	**PAYMENTS** **13.59.** As far as possible, no advance payments shall be agreed to or authorised by the Principal. All credit bills will normally be paid by "Account Payee" cheques only. However, if the Government Departments, corporations, sole selling agents, reputed dealers, or wholesalers marketing the items at highly competitive rates, are not prepared to accept cheques because of the delays in clearance, crossed demand drafts may also be issued. As far as possible, all payments are to be made through NEFT/ RTGS instead of the conventional payment by cheque/ draft. All transactions cost (except purchases from annual contracts, from Government Agencies and payment to Government Agencies) exceeding Rs.20,000/- are to be put to LBA for ratification in next LBA.		
13.60	Before making out a cheque, or writing to the bankers for issue of a demand draft, the accountant will ascertain that payment orders have been endorsed by the Principal. He will also prominently deface the bill by putting a rubber stamp "(Paid)" to avoid duplicate payment. The cheques or the requests for issue of demand drafts will be signed by the Registrar and thereafter by the Principal after another scrutiny of bills and other papers attached to them. Both the Registrar and the Principal will, in either case, carefully check the amounts payable and the particulars of the payee.	**13.60.** Before making out a cheque, or e-payment or writing to the bankers for issue of a demand draft, the accountant will ascertain that payment orders have been endorsed by the Principal. He will also prominently deface the bill by putting a rubber stamp "(Paid)" to avoid duplicate payment. The cheques or the requests for issuance of demand drafts will be signed by the Administrative Officer and thereafter by the Principal after another scrutiny of bills and other papers attached to them. Both the Administrative Officer and the Principal will, in either case, carefully check the amounts payable and the particulars of the payee.		
13.61	All crossed drafts, and out station account payee cheques for amounts exceeding Rs.1,000/- shall normally be sent under registered cover. Where a major business centre is close by, and the school vehicles or the school employees concerned keep visiting the city frequently for transacting official business, these cheques/drafts may be delivered through the cheque delivery register to save on postage. Bills of the local firms and of the school contractors will normally be paid by the Account Payee cheques only.	**13.61.** All crossed drafts, and out station account payee cheques for amounts exceeding Rs 2,000/- shall normally be sent under registered / speed post. Where a major business centre is close by and the school vehicles or the school employees concerned keep visiting the city frequently for transacting official business, these cheques/ drafts may be delivered through the cheque delivery register to save on postage. Bills of the local firms and of the school contractors will normally be paid by the NEFT/ RTGS only.		Outstation payee cheques exceeds 2000/- to be sent under Speed Post

13.62	Receipts for all cheques/drafts will be vouched by the accounts section.	**13.62.** Receipts for all payments will be maintained by the Accounts Section.		
13.63	In case the purchases made on cash payment out of the advances held by the chairman or members of Local Purchase Committees, the bills will be properly receipted. They will also bear the endorsement 'Paid by me' duly signed by the person responsible for accounting of the money advanced to him.	**13.63.** In case the purchases made on cash payment out of the advances held by the chairman or members of Local Purchase Committees, the bills will be properly receipted. They will also bear the endorsement 'Paid by me' duly signed by the person responsible for accounting of the money advanced to him.		
13.64	All payments will be accurately and promptly entered in the cash book. They will be initialled by the Registrar regularly, at the end of each day.	**13.64.** All payments will be accurately and promptly entered in the cash book. They will be initialed by the Administrative Officer regularly, at the end of each day.		
13.65	**<u>RECEIPTS</u>** Payments will be received only by the accounts section and in one of the following forms:- (a) Cash subject to the provision that large sums will normally be deposited by the parties concerned directly in the bank and the counterfoil (bank receipt) submitted to the school for their records. (b) Money orders/cheques/drafts/postal orders, subject to the provision that payment of fees and other charges payable by parents will not be accepted by cheques and that no outstation cheque will be accepted for amounts less than Rs.100/- and without realisation charges payable to the bank.	**<u>RECEIPTS</u>** **13.65.** Payments will be received only by the Accounts Section and in one of the following forms:- (a) Cash subject to the provision that large sums will normally be deposited by the parties concerned directly in the bank and the counterfoil (bank receipt) submitted to the school for their records. (b) Money orders/ cheques/ drafts/ postal orders, subject to the provision that payment of fees and other charges payable by parents will not be accepted by cheques and that no outstation cheque will be accepted for amounts less than Rs.100/- and without realisation charges payable to the *Daily Collection Register*. (c) Collection of fee from cadets/ parents through various on-line banking system.		
13.66	No payments in cash will be received through students normally. All payment will be given proper printed receipts, which will be serially numbered, with a carbon copy retained in the receipt book. These receipts will be signed by the cashier and initialled by the Registrar while he is tallying them with the corresponding entries made in the cashbook.	**13.66.** No payments in cash will be received through cadets. All payment will be accorded printed receipts, which will be serially numbered, with a carbon copy retained in the receipt book. These receipts will be signed by the cashier and initialed by the Accountant and Administrative Officer.		No payment in cash

13.67	Where payments are received by money orders, cheques, drafts or postal orders, these will be first of all noted in money order/ cheque register serially. The money order forms will be put up for the signature of the Registrar together with this Register. When the Registrar is absent from office the money orders may be signed by the Accountant with initials on the corresponding entries made in the Register .	**13.67.** Where payments are received by drafts or postal orders, these will be first of all noted in Daily Collection Register serially. All receipts should be deposited with the bank the next working day of the receipt.		
13.68	The Cashier or the Accountant will make a separate entry in the cash book in respect of all cash receipts entries in respect of sale proceeds from prospectus and entrance examination fee may be clubbed together to enter total receipts on a particular day. Such entries will be supported by the totals on the money order/postal order register.	**13.68.** The Cashier or the Accountant will make a separate entry in the cash book in respect of all cash receipts entries in respect of sale proceeds from prospectus and entrance examination fee may be clubbed together to enter total receipts on a particular day. Such entries will be supported by the totals on the Daily Collection Register.		
13.69	**PREPARATION OF ACCOUNTS AND AUDIT** Soon after the close of a financial year, the following action will be taken by the Accountant to prepare accounts for audit:- (a) Statements showing the stock in hand as on 30 April and countersigned by the heads of the concerned sections will be obtained from all stockholders who will also be expected to submit such statements to the Accountant. (b) All cash book entries, both on receipt and payment side will be re-checked with the supporting documents. (c) Postings in the subsidiary ledgers and registers will be completed, tallied and cross checked to detect and correct any possible errors or omissions. (d) Proceedings of stock verification-cum- condemnation boards will be processed for orders and for completion of necessary follow up action.	**PREPARATION OF ACCOUNTS AND AUDIT** **13.69.** Soon after the close of a financial year, the following action will be taken by the Accountant to prepare accounts for audit:- (a) Statements showing the stock in hand as on 30 April and countersigned by the heads of the concerned sections will be obtained from all stockholders who will also be expected to submit such statements to the Accountant. (b) All cash book entries, both on receipt and payment side will be re-checked with the supporting documents. (c) Postings in the subsidiary ledgers and registers will be completed, tallied and cross checked to detect and correct any possible errors or omissions. (d) Proceedings of stock verification-cum-condemnation boards will be processed for orders and for completion of necessary follow up action.		

13.70	After the final trial balance for the year has been struck, the income and expenditure account (profit and loss account in respect of commercial institutes) will be prepared together with the balance sheet. These should be ready by the 15th of May, for audit to commence and finish during the summer vacation itself.	**13.70.** After the final trial balance for the year has been struck, the income and expenditure account (profit and loss account in respect of ancillary activities) will be prepared together with the balance sheet. These should be ready by the 15 Apr, for audit to commence and finish latest by 15 May.		
13.71	Where arrangements have been made for concurrent audit, similar action in summary form will also be completed before the commencement of each school break.	**13.71.** Where arrangements have been made for concurrent audit, similar action in summary form will also be completed before the commencement of each school break.		
13.72	**AUDIT AND AUDIT OBJECTIONS** The accounts of the school shall be audited by Controller General of Defence Accounts (CGDA). The Accountant General of the State may also carry out audit of certain accounts. He will be given full co-operation and assistance by the Sainik School Administration in the satisfactory discharge of his duties. Audit reports together with the following documents will be forwarded to the Honorary Secretary, Sainik Schools Society as and soon are received. (a) Income and expenditure/profit and loss accounts. (b) Balance sheet as on 30th April. (c) The Principal's comments on each of the audit objections, if any.	**AUDIT AND AUDIT OBJECTIONS** 13.72. The accounts of the school shall be audited by Controller General of Defence Accounts (CGDA). The Accountant General of the State may also carry out audit of certain accounts. He will be given full co-operation and assistance by the Sainik School Administration in the satisfactory discharge of his duties. Audit reports together with the following documents will be forwarded to the Honorary Secretary, Sainik Schools Society as and soon are received. (a) Income and expenditure/profit and loss accounts. (b) Balance sheet as on 31 Mar. (c) The Principal's comments on each of the audit objections, if any.		FY Change
13.73	A copy of the Audit Report will be forwarded to the Chairman, L.B.A. The report will be considered by the L.B.A. at the first meeting held after the receipt of the audit report.	**13.73.** A copy of the Audit Report will be forwarded to the Chairman, LBA. The report will be considered by the LBA at the first meeting held after the receipt of the audit report.		No Change

13.74	While processing the audit objections for detailed comments, the Principal will give suitable explanation and justification, if any, for each instance of departure from the established practice or rule, where reasons for departure have been specifically brought to the notice of the L.B.A. relevant extracts from the minutes of the meeting and the decision will also be quoted. The L.B.A. will, however, have no authority to relax the substantive rules on each subject matter framed by the Board of Governors, unless to cover any local conditions they have been specifically authorised to do.	**13.74.** While processing the audit objections for detailed comments, the Principal will give suitable explanation and justification, if any, for each instance of departure from the established practice or rule, where reasons for departure have been specifically brought to the notice of the LBA relevant extracts from the minutes of the meeting and the decision will also be quoted. The LBA will, however, have no authority to relax the substantive rules on each subject matter framed by the Board of Governors, unless to cover any local conditions they have been specifically authorised to do.		No Change
13.75	**EQUIPMENT AND STORES** Initial provision of all equipment required in a Sainik School will be the responsibility of the concerned State Govt. For all initial purchases of equipment, therefore, the school will project its requirement to the concerned State Govt to obtain grant-in-aid specifically for the purpose. In urgent cases, however, the L.B.A. may, as a temporary measure, cater for these requirements in the normal annual budget.	**EQUIPMENT AND STORES** **13.75.** Initial provision of all equipment required in a Sainik School will be the responsibility of the concerned State Government For all initial purchases of equipment, therefore, the school will project its requirement to the concerned State Government to obtain grant-in-aid specifically for the purpose. In urgent cases, however, the LBA may, as a temporary measure, cater for these requirements in the normal annual budget.		No Change
13.76	**PROCUREMENT PROCEDURE** Subject to the budgetary allocations, the Principal is empowered to sanction purchases of equipment or stores required for the use of school.	**PROCUREMENT PROCEDURE** **13.76.** Subject to the budgetary allocations, the Principal of each Sainik School is empowered to sanction purchases and procurement of goods/ stores/ equipment/ services required for use in school. The procurement to be carried out strictly as per GFR 2017 and subsequent amendments issued from time to time. Mandatory Procurement of Goods and Services for Goods or Services available on GeM (Rule 158 of GFR 2017) as applicable to Public Funds is to be ensured. All contracts executed by the school for goods and services are required to be uploaded on School Website on a monthly basis as proactive disclosure for transparency		D(SSC) Input: Uploading of contracts entered by the school on the school website will enhance the proactive disclosure as per RTI Act 2005 as well as Improve Transparency

13.77	The procedure to be adopted normally for procurement of equipments and stores will be as under:- (a) (i) Tenders will be invited annually if the transaction exceeds Rs.25,000/- for regular supply of items like vegetables, fruits, meat, milk etc and will ask for item wise rates both in the school premises and / or the premises of the tenderers. The advertisement will be published in two or three dailies including one with all India circulation. The tender papers, giving detailed specifications, normally daily requirements, and the terms and conditions governing the contract, will be supplied on payment of prescribed fee. The last date(s) fixed for submission of tenders for opening of sealed tenders will also be indicated in the papers. The tender received will be opened, at the date and time fixed for the purpose, by a committee duly constituted by the Principal with the Headmaster or Registrar as the Chairman of such a tender committee as the case may be and in the presence of the tenderers who may wish to be present at that time.	Rule deleted.		As per GFR
	(ii) The committee will get sealed tenders examined by all interested persons present to ensure that the same have not been opened before the stipulated date and time. Each tender will be opened and the rates quoted therein, read out together with the special terms offered, if any. The signatures of the persons present will be obtained on the certificate reading - "It is certified that seals of all tenders received were intact and that the tenders were opened in our presence and rates quoted therein were read out to us."			

	The tender opening committee will then prepare a comparative statement and frame its recommendations for acceptance of the tenders considered most economical to the school. (iv) Where the rates quoted are much higher than the prevailing market rates or the existing contract rates, the committee may negotiate with the tenderers or recommend re-tendering of the contract. Negotiations, however, will be carried out by the committee in the presence of the Registrar or the Headmaster, one of whom will be the chairman of the Negotiating Committee. As far as possible, the Principal will not involve himself by becoming a Chairman of any Negotiation/Tender/Purchase Committee. This is necessary because he has to act as the approving authority for actions/recommendations of such committee. (v) The committee's recommendations, together with the comments of the Registrar or of the Headmaster, will be put up to the Principal for his final approval. If the Principal feels that the rates tendered are not economical to the school, he may order further negotiations or a repetition of the advertisement for inviting fresh tenders. Or in consultation with the Chairman, L.B.A, resort to Limited Tender system by addressing Tender inquiry to prominent firms of suppliers / manufacturers in the trade subject to the condition that the value of such items does not exceed the ceiling limit of Rs.25,000/- annually and individually category wise like food items, clothing, toiletries, etc.			
	(vi) Soon after the tender has been accepted, a contract agreement will be drawn up and signed by the contractor as one party and the Principal as the other. A specimen contract deed is given at Appendix 'N' to this Manual. (vii) Where no persons have been employed for services like tailoring, washing, dry-cleaning, hairdressing, etc., contracts may be entered into for rendering these services also, as considered			

	convenient and economical			
	RATE CONTRACT (b) (i) For purchases to be made on as required basis through out a year, the Principal may enter into rate contracts. He may also purchase stores through the DGS&D. Such rate contracts may be advisable for procurement of sports goods, chemicals, textbooks, library books, clothing and linen, footwear, paints, building material, etc. Before entering into any rate contracts, enquiries will be addressed to reputed firms, and the most beneficial terms will be accepted. A yardstick for the purpose can be the trade discount offered over the recommended retail prices or the dealer's prices as well as the comparative net price most favourable to the purchaser.			
	(ii) No such rate contracts will be necessary for short supply items and for items purchased from a Govt or Semi-Govt departments and from manufacturers of national repute or their sole selling agents/authorised distributors.			

	LIMITED TENDERS (c)(i) Where there are no contractors or rate contracts drawn for certain items, the items may be purchased through quotations. (ii) For purchases involving an expenditure of Rs 4,000/- to Rs 25,000/- in a single transaction, the school shall address inquiries in writing to at least three manufacturers or specialized dealers/wholesalers registered for the purpose. Making allowance for postal delays, at least 15 days shall be allowed for the quotations to be submitted. The sealed quotations will, thereafter be opened by a committee. The prospective users will be present to comment on quality/durability of the items offered. (iii) The Principal will normally accept the recommendations of the committee, which will be duly endorsed by the Headmaster or the Registrar for his consideration and orders. He will consider both quality and rate quoted while endorsing his approval. If he is not satisfied with either, he may order issue of fresh enquiry or approve local purchase of the items from a nearby business center.			

LOCAL PURCHASES AND EMERGENT REQUIREMENTS

(d)(i) Local Purchases will be resorted to for emergent requirements only and therefore adopted exceptionally.

(ii) For purchases involving an expenditure of Rs. 2,000/- in one transaction or Rs. 400/- in one item, no sealed quotations would be necessary. The local purchase committee will, all the same, be obliged to ensure that the items are purchased at the lowest competitive rates and for this purchase carry out a quick market survey to ascertain the market price.

For local purchases exceeding Rs. 2000/- but not exceeding Rs. 4000/- in one transaction, the purchase committee will visit the market and obtain quotations in writing on proformae carried by them or on printed letter heads of at least 3 firms of repute before actually purchasing the items required.

Note:- The term “one transaction” for the purposes of this rule shall imply transaction by a purchase committee on one day. This cannot be of repetitive nature because such a purchase is intended to be of emergent nature to tide over immediate difficulties.

(iii) As far as possible, local purchases will also be made on credit on the authority of a letter/supply order issued by the school but addressed and handed over to the firm personally by the members of the Local Purchase Committee specifically authorised to do so. The above provisions governing local purchases and procurements will not apply to the stores bought from the CSD Canteen, the Cooperative Stores, the Super Bazaar, or the Govt approved fair price shops.

(e) The senior most member of the purchase committee shall be responsible to render the account to the Accountant and return the balance amount together with the receipted bills in case any cash payment has been made within 24 hours of the time of purchase. All the members of purchase committee will sign such statement of accounts. The stores purchased will also be accounted for and the statement signed by the stockholder. The Accountant will scrutinize and obtain signatures of Registrar before the transaction is treated as having been completed.

13.78	**ACCOUNTING OF STORES** All stores accounts are auditable, like supporting documents of cash accounts. The store holders will maintain separate ledgers in respect of expendable and non-expendable stores. Expendable stores will be charged off regularly every month on the basis of jobs undertaken. In the case of laboratories the stores written off would depend on the experiments completed and the number of students in different classes/practical groups.	**ACCOUNTING OF STORES** **13.77** All stores accounts are auditable, like supporting documents of cash accounts. The store holders will maintain separate ledgers in respect of expendable and non-expendable stores. Expendable stores will be charged off regularly every month on the basis of jobs undertaken. In the case of laboratories the stores written off would depend on the experiments completed and the number of cadets in different classes/practical groups.		Rule No Changed
13.79	Ledgers, and the vouchers prepared in support of the entries made therein will be readily available at all time for any surprise check. The receipt / issue / loan / sale / condemnation vouchers will be signed by the store holders. They will be countersigned by the Registrar or the Headmaster after they have initialed the corresponding entries in the ledgers.	**13.78** Ledgers, and the vouchers prepared in support of the entries made therein will be readily available at all time for any surprise check. The receipt / issue / loan / sale / condemnation vouchers will be signed by the store holders. They will be countersigned by the Administrative Officer or the Vice Principal after they have initialed the corresponding entries in the ledgers.		Rule No Changed
13.80	For stores issued/received on loan from other store holders, separate loan vouchers and loan ledgers will be maintained by each section/department to facilitate verification/cross check. The loan issue vouchers shall be renewed at least once a year, just before stock taking-cum-condemnation board meets.	**13.79** For stores issued received on loan from other store holders, separate loan vouchers and loan ledgers will be maintained by each section/department to facilitate verification/ cross check. The loan issue vouchers shall be renewed at least once a year, just before stock taking-cum-condemnation board meets.		Rule No Changed
13.81	The store holders will ensure that all stores held by them are properly laid out at all times, with updated bin cards showing the stock in hand. Where stores are spread out in dormitories/offices/residential quarters, the loan issue register and the renewed inventories (prepared building/room wise) will be readily available with them for scrutiny.	**13.80** The store holders will ensure that all stores held by them are properly laid out at all times, with updated bin cards showing the stock in hand. Where stores are spread out in dormitories/offices/residential quarters, the loan issue register and the renewed inventories (prepared building/room wise) will be readily available with them for scrutiny.		Rule No Changed
13.82	Item condemned as unserviceable or declared obsolete will be charged off from the concerned ledgers after they have been destroyed or brought on charge in the salvage ledgers for sale as scrap under authority of the Principal or Headmaster/Registrar as the case may be.	**13.81** Item condemned as unserviceable or declared obsolete will be charged off from the concerned ledgers after they have been destroyed or brought on charge in the salvage ledgers for sale as scrap under authority of the Principal or Vice Principal/Administrative Officer as the case may be.		
13.83	**PHYSICAL VERIFICATION CUM CONDEMNATION** A hundred percent physical verification of all stores will be carried out every year so as to get a true picture of the store held on the 30th April.	**PHYSICAL VERIFICATION CUM CONDEMNATION** **13.82.** A hundred percent physical verification of all stores will be carried out every year so as to get a true picture of the stores held as on the 31st Mar.		Proper procedure for condemnation board

13.84	The store holders will complete their ledgers normally by the 25th April and prepare them for stock taking. hey will get the loan vouchers renewed and update their loan ledgers, ensuring that loan ledgers are also maintained by the sub-stock holders. They will draw lines in red ink, for stock verification entries by the stock taking boards, they will also prepare detailed, ledger wise lists of stores held by them, as per specimen given at Appendix 'O' to this manual. The stores to be presented for condemnation will be laid out separately for survey by the board.	**13.83** The store holders will complete their ledgers normally by the 25th Mar and prepare them for stock taking. They will get the loan vouchers renewed and update their loan ledgers, ensuring that loan ledgers are also maintained by the sub-stock holders. They will draw lines in red ink, for stock verification entries by the stock taking boards, they will also prepare detailed, ledger wise lists of stores held by them, as per specimen given at Appendix 'O' to this manual. The stores to be presented for condemnation will be laid out separately for survey by the board.		Appx 'O'
13.85	After carrying out a physical verification of the stores including those spread out or issued on loan, the stock taking board will enter the stock verified between red lines drawn on the ledger for the purpose. They will meticulously record all deficiencies and surpluses, in the lists prepared as also in the ledger. They will also comment on the condition of stores held, by recording tick marks suitably under the columns serviceable, repairable or unserviceable made in the lists prepared.	**13.84.** After carrying out a physical verification of the stores including those spread out or issued on loan, the stock taking board will enter the stock verified between red lines drawn on the ledger for the purpose. They will meticulously record all deficiencies and surpluses, in the lists prepared as also in the ledger. They will also comment on the condition of stores held, by recording tick marks suitably under the columns serviceable, repairable or unserviceable made in the lists prepared.		
13.86	The reports of the stock-taking-cum-condemnation board will be submitted as per the form given at Appx 'P' to this manual, by the 8th of May at the latest.	**13.85.** The reports of the stock-taking-cum-condemnation board will be submitted as per the form given at Appendix 'P' to this manual, by the 8th of Apr at the latest.		
13.87	Depending upon the report of the board, deficiency will be paid for by the store holders/user and charged off. Surpluses, if any, will be regularized by bringing the items on ledger charge through fresh receipt vouchers.	**13.86** Depending upon the report of the board, deficiency will be paid for by the store holders/user and charged off. Surpluses, if any, will be regularized by bringing the items on ledger charge through fresh receipt vouchers.		
13.88	Where the school is still in session and transactions cannot be stopped before 25th April to prepare the ledgers for stock taking the stock taking may be carried out from 1st to 5th May and for this purpose the Principal will issue a written order accordingly.	**13.87** Where the school is still in session and transactions cannot be stopped before 25th Mar to prepare the ledgers for stock taking the stock taking may be carried out from 1st to 5th April and for this purpose the Principal will issue a written order accordingly.		

13.89	**LOSSES AND THEIR REGULARISATION** All losses of school property, particularly those caused by neglect, fraud or theft, will be viewed as serious lapses on the part of the store holders, users. A court of enquiry will be ordered to investigate the circumstances leading to each such loss and to fix responsibility. Besides the disciplinary action deemed suitable and adequate, penal deductions may be imposed in each case to recover the appreciated, depreciated value of the item lost together with the expenditure likely to be incurred on procuring its replacement. All cases of fraud or theft will be reported to the police as well as to the Chairman, LBA and Honorary Secretary.	**LOSSES AND THEIR REGULARISATION** 13.88 All losses of school property, particularly those caused by neglect, fraud or theft, will be viewed as serious lapses on the part of the store holders, users. A court of enquiry will be ordered to investigate the circumstances leading to each such loss and to fix responsibility. Besides the disciplinary action deemed suitable and adequate, penal deductions may be imposed in each case to recover the appreciated, depreciated value of the item lost together with the expenditure likely to be incurred on procuring its replacement. All cases of fraud or theft will be reported to the police as well as to the Chairperson, LBA and Honorary Secretary.		Rule no Changed
13.90	Individuals losing library books issued to them will be liable to pay appreciated value of each books with 20% of it as penalty.	**13.89.** Individuals losing library books issued to them will be liable to pay appreciated value of each books with 20% of it as penalty.		
13.91	All losses, and the action taken to avoid their recurrence, will be brought to the notice of the LBA, who will consider the court of enquiry report if already received and give such directions as deemed fit.	**13.90.** All losses, and the action taken to avoid their recurrence, will be brought to the notice of the LBA, who will consider the court of enquiry report if already received and give such directions as deemed fit.		
13.92	After losses have been made good by recovering the cost, or processed suitably for regularisation orders, the concerned store holder will prepare a proper voucher to write off the items lost.	**13.91.** After losses have been made good by recovering the cost, or processed suitably for regularisation orders, the concerned store holder will prepare a proper voucher to write off the items lost.		
13.93	In case of loss by theft, fraud or fire, the court of enquiry will give its recommendations for plugging the loop-holes, if any, to avoid recurrence of such cases in future, together with its finding, which will fix the responsibility individually as well as apportion the blame to different individuals, if more than one person is blame worthy.	**13.92.** In case of loss by theft, fraud or fire, the court of enquiry will give its recommendations for plugging the loop-holes, if any, to avoid recurrence of such cases in future, together with its finding, which will fix the responsibility individually as well as apportion the blame to different individuals, if more than one person is blame worthy.		
13.94	All cases of losses of stores and money have to be reported immediately to the Chairman, L.B.A. as well as the Honorary Secretary, Sainik Schools Society, and while rendering such a report, the estimated loss should be indicated pending receipt of enquiry report.	**13.93.** All cases of losses of stores and money have to be reported immediately to the Chairman, LBA as well as the Honorary Secretary, Sainik Schools Society, and while rendering such a report, the estimated loss should be indicated pending receipt of enquiry report.		

<table>
<tr>
<td>13.95</td>
<td><u>POWERS TO WRITE OFF LOSSES</u>
Powers to write off losses to various authorities will be as under:-</td>
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13.94. Powers to write off losses to various authorities will be as under:-</td>
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<td>Initiation of Court of Inquiry</td>
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<table>
<tr><td>Competent Authority</td><td>Losses not due to theft, fraud or neglect in each individual case</td><td>Losses due to theft, fraud or neglect in each individual case</td></tr>
<tr><td>Principal</td><td>Rs.500/- and below</td><td>Rs.100/- and below</td></tr>
<tr><td>L.B.A.</td><td>Rs.1,0000/- and below</td><td>Rs.200/- and below</td></tr>
<tr><td>Board of Governors</td><td>All cases above Rs.1,000/-</td><td>All cases above Rs.200/-</td></tr>
</table>
It is obligatory to hold a court of inquiry in all cases of theft and fraud where the amount involved exceeds Rs.200/-. A case should also be registered with the local police immediately. A court of inquiry will be necessary in all cases of normal losses exceeding Rs.2,000/-
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<tr><td></td><td>Losses not due to theft, fraud or neglect in each individual case individual case</td><td>Losses due to theft, fraud or neglect in each individual case</td></tr>
<tr><td>Principal</td><td>Upto Rs.5000/-</td><td>Upto Rs.1000/-</td></tr>
<tr><td>LBA</td><td>Rs 5001/- to Rs.1,00,000/-</td><td>Rs 1001/- to Rs.2,000/-</td></tr>
<tr><td>Board of Governors</td><td>All cases above Rs.1,00,000/-</td><td>All cases above Rs.2000/-</td></tr>
</table>
It is obligatory to hold a court of inquiry in all cases of theft and fraud where the amount involved exceeds Rs.2000/-. A case should also be registered with the local police immediately. A court of inquiry will be necessary in all cases of normal losses exceeding Rs.20,000 /-
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<td>13.96</td>
<td><u>BREAKAGES AND DISPOSAL OF CONDEMNED STORES</u>
Some breakage of crockery in the mess and of glassware in the laboratories is normal. To keep such breakages within permissible limits, however the store holders will maintain breakages register. Every breakage will be promptly entered in this register, together with the name of the student/employee responsible for it. Whenever it is felt that the breakage has been caused willfully or by neglect, the person responsible for it will be suitably penalized. Where breakages caused by negligence are repeated, higher penalties may also be imposed as decided by the Principal.</td>
<td><u>BREAKAGES AND DISPOSAL OF CONDEMNED STORES</u>
13.95. Some breakage of crockery in the mess and of glassware in the laboratories is normal. To keep such breakages within permissible limits, however the store holders will maintain breakages register. Every breakage will be promptly entered in this register, together with the name of the cadet/employee responsible for it. Whenever it is felt that the breakage has been caused willfully or by neglect, the person responsible for it will be suitably penalized. Where breakages caused by negligence are repeated, higher penalties may also be imposed as decided by the Principal.</td>
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13.97	The normal breakages will be written off periodically through condemnation action under the orders of the heads of section, which will require to be duly endorsed by the Principal. Similar action will be taken in respect of items broken by neglect and paid for. The broken/condemned stores will be destroyed by burning/or transferred to the salvage stores ledger, on the authority of condemnation vouchers duly supported by the proceedings of the condemnation board.	**13.96.** The normal breakages will be written off periodically through condemnation action under the orders of the heads of section, which will require to be duly endorsed by the Principal. Similar action will be taken in respect of items broken by neglect and paid for. Items recommended for condemnation may be auctioned and proceeds received to be credited into Government treasury/school fund as per the source of the procurement. The broken/condemned stores will be destroyed by burning/or transferred to the salvage stores ledger, on the authority of condemnation vouchers duly supported by the proceedings of the Condemnation Board.		
13.98	**SALE OF STORES** As a welfare measure, the school may sell to the members of staff and to the students, items purchased in bulk at rates lower than the prevailing market rates subject to their being surplus to the requirements of the school. All such sales, however, will be subject to rules and procedures laid down for the purpose. The school shall levy handling charges @ 5% so as to recover all incidental expenses and to avoid any loss because of incorrect and repeated weighing during sale in retail.	**Deleted**		
13.99	For sale of items produced in the school farm, orchard, dairy farm, piggery, bakery etc, which are considered surplus to the requirements, the school will fix the rates and the quantity permitted to be purchased by staff members and students subject to the condition that such purchases shall be made by the staff members and students for their own or families consumption and not for re-sale at a profit, which will attract the provision of conduct rules because such transaction shall be deemed to be a business transaction with the motive of earning profit. The rates fixed for grains and cereals will, however, in no case be lower than the procurement rates fixed by the government from time to time.	**13.97.** For sale of items produced in the school farm, orchard, dairy farm, piggery, bakery, etc, which are considered surplus to the requirements, the school will fix the rates and the quantity permitted to be purchased by staff members and cadets subject to the condition that such purchases shall be made by the staff members and cadets for their own or families consumption and not for re-sale at a profit, which will attract the provision of conduct rules because such transaction shall be deemed to be a business transaction with the motive of earning profit. The rates fixed for grains and cereals will, however, in no case be lower than the procurement rates fixed by the government from time to time.		
13.100	For major sales to outsiders, the school will invite tenders or obtain quotations in sealed cover. These tenders/quotations will be opened on a particular day, in the presence of a committee duly constituted for the purpose. The advice of local civil administration, where applicable, will also be taken before proceeding in the matter.	**13.98** For major sales to outsiders, the school will invite tenders or obtain quotations in sealed cover. These tenders/ quotations will be opened on a particular day, in the presence of a committee duly constituted for the purpose. The advice of local civil administration, where applicable, will also be taken before proceeding in the matter.		

13.101	Where it is decided to dispose off stores by open auction the minimum reserve price will be decided and bids given by those who have arrived at a mutual understanding for collective bidding between themselves will be rejected. The Principal may, thereafter, find a suitable alternative method for selling the stores at the maximum competitive rates offered by the parties interested in the purchase. In case of doubt he may seek the help of local civil administration.	**13.99** Where it is decided to dispose ~~off~~ stores by open auction the minimum reserve price will be decided and bids given by those who have arrived at a mutual understanding for collective bidding between themselves will be rejected. The Principal may, thereafter, find a suitable alternative method for selling the stores at the maximum competitive rates offered by the parties interested in the purchase. In case of doubt he may seek the help of local civil administration.		
13.102	**<u>GENERAL</u>** The Principal will avoid financial dealings with his own relatives and with friends and relatives of the members of his staff and if such a situation arises, he shall report the circumstances of the case to Chairman, L.B.A and act according to directions received.	**<u>GENERAL</u>** **13.100** The Principal will avoid financial dealings with his own relatives and with friends and relatives of the members of his staff and if such a situation arises, he shall report the circumstances of the case to Chairman, LBA and act according to directions received.		
13.103	If for some special reasons this cannot be avoided the transactions will be brought to the notice of the L.B.A. for their information and covering approval.	**13.101** If for some special reasons this cannot be avoided the transactions will be brought to the notice of the LBA for their information and covering approval.		