

# THE NATIONAL LEGAL SERVICES AUTHORITY RULES, 1995

In exercise of the powers conferred by section 27 of the Legal Services Authorities Act, 1987(39 of 1987), the Central Government hereby makes the following rules, namely:-

**1. Short title and commencement** - (1) These rules may be called the National Legal Services Authority Rules, 1995.

(2) They shall come into force on the date of their publication in the Gazette of India.

**2. Definitions.** - In these rules, unless the context otherwise requires,-

(a) "Act" means the Legal Services Authorities Act, 1987;

(b) "Central Authority" means the National Legal Services Authority constituted under section 3 of the Act;

(c) "member" means the Members of the Central Authority nominated under clause (c) of sub-section (2) of Section 3 of the Act;

(d) "Member-Secretary" means the Member-Secretary of the Central Authority appointed under sub-section (3) of Section 3 of the Act;

(e) all other words and expressions used in these rules but not defined shall have the same meaning assigned to them in the Act.

**3. The number, experience and qualifications of other Members of the Central Authority** - (1) The Central Authority shall consist of not more than twelve Members.

(2) The following shall be the ex-officio Members of the Central Authority, namely :-

[(i) Secretary, Department of Justice, Ministry of Law and Justice , Government of India or any of his nominee;]

(ii) Secretary, Department of Expenditure, Ministry of Finance, Government of India or any of his nominee; and

(iii) two Chairmen of the State Legal Services Authorities as may be nominated by the Central Government in consultation with the Chief Justice of India:

Provided that the Patron-in-Chief of the Central Authority may nominate until the constitution of State Authorities under the Act, Chairman of any two of the State Legal Aid and Advice Boards or Committees, by whatever name called, existing prior to such constitution.

(3) The Central Government may nominate, in consultation with the Chief Justice of India, other Members from amongst those possessing the experience and qualifications prescribed in sub-rule (4) of this rule.

(4) A person shall not be qualified for nomination as a member of the Central Authority unless he is :-

(a) an eminent person in the field of law; or

(b) a person of repute who is specially interested in the implementation of the Legal Services Schemes; or

(c) an eminent social worker who is engaged in the upliftment of the weaker sections of the people, including Scheduled Castes, Scheduled Tribes, women, children, rural and urban labour.

**4. Appointment of Member-Secretary** - The Central Government shall, in consultation with the Chief Justice of India, appoint a person to be the Member-Secretary of the Central Authority, possessing experience and qualifications as prescribed in rule 5.

**5. The experience and qualifications of the Member-Secretary of the Central Authority and his powers and functions.** A person shall not be qualified for appointment as Member-Secretary unless he is-

(a) an officer of the Indian Legal Services who has held a post not below the rank of Additional Secretary to the Government of India; or

(b) a member of the State Higher Judicial service who has held the post of District Judge atleast for three years; or

(c) an officer of other organised Central Services who has held a post of Joint Secretary to the Government of India or equivalent for a minimum period of three years; or

(d) an officer of the organised State Services who has held a post equivalent to the Joint Secretary to the Govt. of India for a minimum period of five years.

Preference will be given to persons possessing administrative, financial and legal aid experience.

**6. Powers and Functions of the Member-Secretary :-** The powers and functions of the Member-Secretary, inter alia shall be -

(a) to work out modalities of the Legal Services Schemes and Programmes approved by the Central Authority and ensure their effective monitoring and implementation throughout the country;

(b) to exercise the powers in respect of administrative, finance and budget matters as that of the Head of the Department in a Central Government;

(c) to manage the properties, records and funds of the Central Authority;

(d) to maintain true and proper accounts of the Central Authority including checking and auditing in respect thereof periodically;

(e) to prepare Annual Income and Expenditure Accounts and Balance Sheet of the Central Authority;

(f) to liaise with the Social Action Groups and the State Legal Services Authorities;

(g) to maintain up-to-date and complete statistical information, including progress made in the implementation of various Legal Services Programmes from time to time;

(h) to process project proposals for financial assistance and issue Utilisation Certificates thereof;

(i) to convene meetings/seminars and workshops connected with Legal Services Programmes and preparation of Reports and follow-up action thereon;

(j) to produce video/documentary films, publicity material, literature and publications to inform general public about the various aspects of the Legal Services Programmes; and

(k) to perform such other functions as may be expedient for efficient functioning of the Central Authority.

**7. The terms of office and other conditions relating thereto, of members and Member-Secretary of the Central Authority-** (1) The Members of the Central Authority nominated by the Central Government under sub-rule(3) of rule 3, shall hold office for a term of two years and a retiring Member shall be eligible for renomination for not more than one term.

(2) A member of the Central Authority nominated by the Central Government under sub-rule(3) of rule 3 may be removed by the Central Government if, in the opinion of the Central Government, it is not desirable to continue him as a member.

(3) If any member nominated under sub-rule (3) of rule 3 ceases to be a member of the Central Authority, for any reason such as resignation or death, the vacancy shall be filled up in the same manner as the original nomination and the person so nominated shall continue to be a member for the remaining term of the member in whose place he is nominated.

(4) All members nominated under sub-rule(3) of rule 3 shall be entitled to payment of travelling allowance and daily allowance in respect of journeys performed in connection with the work of the Central Authority and shall be paid by the Central Authority in accordance with the rules as are applicable to Grade "A" officers, as amended from time to time.

(5) If a nominated member is a government employee, he shall be entitled to only one set of travelling allowance and daily allowance either from his parent department, or, as the case may be, from the Central Authority.

(6) The Member-Secretary shall hold office for a term not exceeding five years or till the age of 62 years, whichever is earlier.

(7) In all matters like pay, allowances, benefits and entitlements, the Member-Secretary shall be governed by rules as are applicable to the persons holding equivalent posts in the Central Government.

(8) If an officer of the State Higher Judicial Service, or, as the case may be, of other organised Central/State Services, is appointed as Member-Secretary, he shall be governed by the service conditions of his parent cadre, in so far as disciplinary matters are concerned.

(9) The appointment of the Member-Secretary may be on deputation basis.

**8. The number of officers and other employees of the Central Authority-**

The Central Authority shall have such number of officers and other employees for rendering secretarial assistance and for its day to day functions as are set out in Schedule to these rules or as may be notified by the Central Government from time to time.

**9. The conditions of service and the salary and allowances of officers and other employees of the Central Authority under sub-section (6) of section 3-**

(1) The officers and other employees of the Central Authority shall be entitled to draw pay and allowances in the scale of pay indicated against each post in the Schedule to these rules or at par with the Central Government employees holding equivalent posts.

(2) In all matters like age of retirement, pay and allowances, benefits and entitlements and disciplinary matters, the officers and other employees of the Central Authority shall be governed by the Central Government as are applicable to persons holding equivalent posts.

(3) The officers and other employees of the Central Authority shall be entitled to such other facilities and benefits as may be notified by the Central Government from time to time.

**10. The number, experience and qualifications of Members of the Supreme Court Legal Services Committee under clause (b) of sub-section (2) of section 3-A. -(1) The Supreme Court Legal Services Committee shall consist of not more than nine Members.**

(2) The following shall be the ex officio Members of the Supreme Court Legal Services Committee:-

(i) Attorney General of India.

(ii) Joint Secretary, Department of Justice, Ministry of Law and Justice, Government of India;]

(iii) Additional Secretary in the Department of Expenditure, Ministry of Finance, Government of India or his nominee; and

(iv) Registrar General of the Supreme Court of India.

(3) The Central Government may nominate, in consultation with the Chief Justice of India, other members from amongst those possessing the qualification and experience prescribed in sub-rule(4) of this rule.

(4) A person shall not be qualified for nomination as a Member unless he is -

(a) an eminent person in the field of law; or

(b) a person of repute who is specially interested in the implementation of the Legal Services Schemes; or

(c) an eminent social worker who is engaged in the upliftment of the weaker sections of the people including Scheduled Castes, Scheduled Tribes, women, children, rural and urban labour.

**11. The experience and qualifications of Secretary of the Supreme Court Legal Services Committee under sub-section (3) of section 3-A.-** A person shall not be qualified for appointment as Secretary unless he is-

(i) an officer of the Supreme Court Registry not below the rank of Joint Registrar; or

(ii) officer of the rank of Director from the Central Government, possessing a degree of Law.

**12. The upper limit of annual income of a person entitling him to legal services under clause (h) of section 12, if the case is before the Supreme Court.-** Any citizen of India whose annual income from all sources does not exceed Rs.50,000/-(Rupees Fifty Thousand) shall be entitled to legal services under clause (h) of section 12 of the Act.

**[12-A.** The Central Authority, State Authorities and the District Authorities, shall maintain their accounts and prepare their annual statement of accounts in the forms appended to these rules.]

**13. The experience and qualifications of other persons of the Lok Adalats organised by the Supreme Court Legal Services Committee specified in sub-section(3) of section 19.-** A person shall not be qualified to be included in the Lok Adalat unless he is-

(a) a member of the legal profession; or

(b) a person of repute who is specially interested in the implementation of the Legal Services Schemes and Programmes; or

(c) an eminent social worker who is engaged in the upliftment of the weaker sections of the people including Scheduled Castes, Scheduled Tribes, women, children, rural and urban labour.

**SCHEDULE**  
**PROPOSED STRENGTH OF THE STAFF OF THE NATIONAL LEGAL SERVICES**  
**AUTHORITY CONSEQUENT UPON THE ENFORCEMENT OF**  
**THE LEGAL SERVICES AUTHORITIES ACT**

S. No.	Designation	Scale of pay	No. of posts
<b>I. OFFICERS</b>			
1.	Member-Secretary	Rs. 7300-7600	1
2.	Deputy Secretary	Rs. 3700-5000	2
3.	Private Secretary	Rs. 3000-4500	3
4.	Section Officer	Rs. 2000-3500	4
TOTAL:			10
<b>II. ESTABLISHMENT</b>			
1.	Accountant	Rs. 1640-2900	1
2.	Assistant	Rs. 1640-2900	2
3.	Steno Gr. 'C'	Rs. 1640-2900	3
4.	Social Science Research Assistant	Rs. 1400-2600	1
5.	Printing Assistant	Rs. 1400-2600	1
6.	Librarian	Rs. 1200-2040	1
7.	Steno Typist	Rs. 1200-2040	4
8.	Cashier	Rs. 1200-2040*	1*
9.	Lower Division Clerk	Rs. 950-1500	8
10.	Staff Car Driver	Rs. 950-1500	4
11.	Jamadar	Rs. 775-1025	3
12.	Daftry	Rs. 775-1025	2
13.	Gestetner/Plain Paper Copier Operator	Rs. 750-940*	1
14.	Peon	Rs. 750-940	6
15.	Farash	Rs. 750-940	2
16.	Safaiwala	Rs. 750-940	2
TOTAL:			42
GRAND TOTAL OF OFFICERS AND STAFF			52

\*With Special pay.

## 4[FORM 1

Income and Expenditure Account for the period/Year ended.....  
 Name of Authority/Committee.....

(Amount-Rs.)

Income	Appendix	Current year	Previous year
Income from Sales/Services	12	....	....
Grants/Subsidies	13	....	....
Fees/Subscriptions	14	....	....
Income from Investments (Income on Investment from earmarked/endowment Funds transferred to Funds)	15	....	....
Income from Royalty, Publication, etc.	16	....	....
Interest earned	17	....	....
Other Income	18	....	....
Increase/(decrease) in stock of finished goods and works-in-progress	19	....	....
Total (A)			
Expenditure			
Establishment Expenses	20	....	....
Other Administrative Expenses, etc.	21	....	....
Expenditure on Grants, Subsidies, etc.	22	....	....
Interest	22	....	....
Depreciation (Net total at the end of year corresponding to Appendix 8)	23	....	....
Total (B)			
Balance being excess of Income over Expenditure (A-B)			
Transfer to Special Reserve (Specify each)			
Transfer to/from General Reserve			
Balance being Surplus/Deficit, Carried to Corpus/Capital Fund			
Significant Accounting Policies	24		
Contingent Liabilities and Notes on Accounts	25		

4. Added by G.S.R. 86(E), dated 22-2-2005 (w.e.f. 22-2-2005).

## FORM 1-A

Appendix forming part of Income and Expenditure for the period/Year ended.....

Name of Authority/Committee.....

(Amount-Rs.)

	Current Year	Previous Year
<b>APPENDIX 12—INCOME FROM SALES/SERVICES</b>		
<b>1. Income from Sales</b>		
(a) Sale of Finished Goods		
(b) Sale of Raw Material		
(c) Sale of Scraps		
<b>2. Income from Services</b>		
(a) Labour and Processing Charges		
(b) Professional/Consultancy Services		
(c) Agency Commission and Brokerage		
(d) Maintenance Services (Equipment/Property)		
(e) Others (Specify)		
<b>Total</b>		

FORM 1-B

Appendix forming part of Income and Expenditure for the period/Year ended.....

Name of Authority/Committee.....

(Amount-Rs.)

APPENDIX 13—GRANTS/SUBSIDIES (Irrevocable Grants and Subsidies Received)	Current Year	Previous Year
1. Central Government		
2. State Government(s)		
3. Government Agencies		
4. Institutions/Welfare Bodies		
5. International Organisations		
6. Others (Specify)		
Total		

FORM 1-C

Appendix forming part of Income and Expenditure for the period/Year ended.....

Name of Authority/Committee.....

(Amount-Rs.)

APPENDIX 14—FEES/SUBSCRIPTIONS	Current Year	Previous Year
1. Entrance Fees		
2. Annual Fees/Subscriptions		
3. Seminar/Program Fees		
4. Consultancy Fees		
5. Others (Specify)		
Total		
Note.—Accounting Policies towards each item are to be disclosed.		

## FORM 1-D

Appendix forming part of Income and Expenditure for the period/Year ended.....

Name of Authority/Committee.....

(Amount-Rs.)

APPENDIX 15—INCOME FROM INVESTMENTS (Income on Invest from Earmarked/Endowment Funds transferred to Funds)	Investment from earmarked Fund		Investment-Others	
	Current year	Previous year	Current year	Previous year
1. Interest (a) On Government Securities (b) Other Bonds/Debentures				
2. Dividends: (a) On Shares (b) On Mutual Fund Securities				
3. Rents				
4. Others (Specify)				
Total				
Transferred to Earmarked/Endowment Funds				

## FORM 1-E

Appendix forming part of Income and Expenditure for the period/Year ended.....

Name of Authority/Committee.....

(Amount-Rs.)

APPENDIX 16—INCOME FROM ROYALTY, PUBLICATION, ETC. 1. Income from Royalty 2. Income from Publications 3. Others (Specify)	Current Year	Previous Year
Total		

FORM 1-F

Appendix forming part of Income and Expenditure for the period/Year ended.....  
 Name of Authority/Committee.....

(Amount-Rs.)

APPENDIX 17—INTEREST EARNED

1. On Term Deposits
  - (a) With Scheduled Banks
  - (b) With Non-Scheduled Banks
  - (c) With Institutions
  - (d) Others
2. On Savings Accounts:
  - (a) With Scheduled Banks
  - (b) With Non-Scheduled Banks
  - (c) Post Office Savings Accounts
  - (d) Others
3. On Loans:
  - (a) Employees/Staff
  - (b) Others
4. Interest on Debtors and Other Receivables

Total

Note.—Tax deducted at source to be indicated

## FORM 1-G

Appendix forming part of Income and Expenditure for the period/Year ended.....

Name of Authority/Committee.....

(Amount-Rs.)

	Current Year	Previous Year
APPENDIX 18—OTHER INCOME		
1. Profit on Sale/Disposal of Assets:		
(a) Owned assets		
(b) Assets acquired out of grants, or received free of cost		
2. Export Incentives realized		
3. Fees for Miscellaneous Services		
4. Miscellaneous Income		
Total		

## FORM 1-H

Appendix forming part of Income and Expenditure for the period/Year ended.....

Name of Authority/Committee.....

(Amount-Rs.)

	Current Year	Previous Year
<b>APPENDIX 19—INCREASE/DECREASE IN STOCK OF FINISHED GOODS AND WORK-IN-PROGRESS</b>		
(a) Closing stock		
—Finished Goods		
—Work-in-progress		
(b) Less: Opening Stock		
—Finished Goods		
—Work-in-progress		
<b>Net Increase/Decrease (a-b)</b>		

## FORM 1-I

Appendix forming part of Income and Expenditure for the period/Year ended.....

Name of Authority/Committee.....

(Amount-Rs.)

	Current Year	Previous Year
<b>APPENDIX 20—ESTABLISHMENT EXPENSES</b>		
(a) Salaries and Wages		
(b) Allowances and Bonus		
(c) Contribution to Provident Fund		
(d) Contribution to Other Fund (specify)		
(e) Staff Welfare Expenses		
(f) Expenses on Employees' Retirement and Terminal Benefits		
(g) Others (Specify)		
<b>Total</b>		

## FORM 1-J

Appendix forming part of Income and Expenditure for the period/Year ended.....

Name of Authority/Committee.....

(Amount-Rs.)

	Current Year	Previous Year
<b>APPENDIX 21—OTHER ADMINISTRATIVE EXPENSES, ETC.</b>		
(a) Purchases		
(b) Labour and Processing expenses		
(c) Cartage and Carriage Inwards		
(d) Electricity and Power		
(e) Water Charges		
(f) Insurance		
(g) Repairs and Maintenance		
(h) Excise Duty		
(i) Rent, Rates and Taxes		
(j) Vehicles Running and Maintenance		
(k) Postage, Telephone and Communication Charges		
(l) Printing and Stationery		
(m) Travelling and Conveyance Expenses		
(n) Expenses on Seminar/Workshops		
(o) Subscription Expenses		
(p) Expenses on Fees		
(q) Auditors Remuneration		
(r) Hospitality Expenses		
(s) Professional Charges		
(t) Provision for Bad and Doubtful Debts/Advances		
(u) Irrecoverable Balance Written-off		
(v) Packaging Charges		
(w) Freight and Forwarding Expenses		
(x) Distribution Expenses		
(y) Advertisement and Publicity		
(z) Others (Specify)		
<b>Total</b>		

## FORM 1-K

Appendix forming part of Income and Expenditure for the period/Year ended.....  
 Name of Authority/Committee.....

(Amount-Rs.)

APPENDIX 22—EXPENDITURE ON GRANTS, SUBSIDIES, ETC. (a) Grants given to Institutions/Organisations (b) Subsidies given to Institutions/Organisations	Current Year	Previous Year
Total		
Note.—Name of the entities, their activities alongwith the amount of Grants/Subsidies are to be disclosed.		

## FORM 1-L

Appendix forming part of Income and Expenditure for the period/Year ended.....  
 Name of Authority/Committee.....

(Amount-Rs.)

APPENDIX 23—INTEREST (a) On Fixed Loans (b) On Other Loans (Including Bank Charges) (c) Others	Current Year	Previous Year
Total		

## FORM 2

Balance Sheet as on.....  
 Name of Authority/Committee.....

(Amount-Rs.)

Corpus/Capital Fund and Liabilities	Appendix	Current year	Previous year
Corpus/Capital Fund	1	....	....
Reserves and Surplus	2	....	....
Earmarked/Endowment Funds	3	....	....
Secured Loans and Borrowings	4	....	....
Unsecured Loans and Borrowings	5	....	....
Deferred Credit Liabilities	6	....	....
Current Liabilities and Provisions	7	....	....
Total			
Assets			
Fixed Assets	8	....	....
Investments-from Earmarked/Endowment Funds	9	....	....
Investments-Others	10	....	....
Current Assets, Loans, Advances, etc.	11	....	....
Miscellaneous Expenditure (to the extent not written off or adjusted)			
Total			
Significant Accounting Policies	24		
Contingent Liabilities and Notes on Accounts	25		

FORM 2-A

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Appendix forming part of Balance Sheet as on.....  
Name of Authority/Committee.....

NATIONAL LEGAL SERVICES AUTHORITY RULES, 1995

	Current Year		Previous Year	
APPENDIX 24—CORPUS/CAPITAL FUND:				
Balance on the beginning of the year		****		****
Add Contributions towards Corpus/Capital Fund	****		****	
Add/(Deduct): Balance of net income (expenditure) transferred from the Income and Expenditure Account.	****	****	****	****
Balance as on the end of the Year				

(FORMS

FORM 2-B

Appendix forming part of Balance Sheet as on.....  
 Name of Authority/Committee.....

FORMS]

NATIONAL LEGAL SERVICES AUTHORITY RULES, 1995

APPENDIX 25—RESERVES AND SURPLUS:	Current Year		Previous Year	
1. Capital Reserves:				
As per last Account				
Addition during the year				
Less deductions during the year				
2. Revaluation Reserve:				
As per last Account				
Addition during the year				
Less deductions during the year				
3. Special Reserves:				
As per last Account				
Addition during the year				
Less deductions during the year				
4. General Reserve:				
As per last Account				
Addition during the year				
Less deductions during the year				
Total				

## FORM 2-C

Appendix forming part of Balance Sheet as on.....

Name of Authority/Committee.....

APPENDIX 26—EARMARKED/ENDOWMENT FUNDS:	Fund-Wise break up				Total	
	Name of Fund	Name of Fund	Name of Fund	Name of Fund	Current Year	Previous Year
(a) Opening balance of the Fund						
(b) Additions to the Funds:						
(i) Donations/grants						
(ii) Income from Investments made on account of Funds						
(iii) Other additions (specify nature)						
Total (a+b)						
(c) Utilisation/Expenditure towards objectives of Funds						
(i) Capital Expenditure						
—Fixed Assets						
—Others						
—Total						
(ii) Revenue Expenditure						
—Salaries, Wages and Allowances, etc.						
—Rent						
—Other Administrative expenses						
—Total						
Total (c)						
Net Balance as on the end of the Year (a+b+c)						

Note 1.—Disclosures shall be made under relevant heads based on conditions attaching to the grants.

Note 2.—Plan Funds received from the Central/State Governments are to be shown as separate Fund and not to be mixed up with any other Fund.

## FORM 2-D

Appendix forming part of Balance Sheet as on.....

Name of Authority/Committee.....

(Amount-Rs.)

	Current Year		Previous Year	
<b>APPENDIX 27—SECURED LOANS AND BORROWINGS:</b>				
1. Central Government				
2. State Government				
3. Financial Institutions				
(a) Term Loans				
(b) Interest accrued and due				
4. Banks				
(a) Term Loans				
—Interest accrued and due				
(b) Other Loans				
—Interest accrued and due				
5. Other Institutions and Agencies				
6. Debentures and Bonds				
7. Others				
<b>Total</b>				
<i>Note.—Amounts due within one year.</i>				

## FORM 2-E

Appendix forming part of Balance Sheet as on.....

Name of Authority/Committee.....

(Amount-Rs.)

	Current Year	Previous Year
APPENDIX 28—UNSECURED LOANS AND BORROWINGS:		
1. Central Government		
2. State Government		
3. Financial Institutions		
4. Banks:		
(a) Term Loans		
(b) Other Loans		
5. Other Institutions and Agencies		
6. Debentures and Bonds		
7. Fixed Deposits		
8. Other		
Total		
Note.—Amounts due within one year.		

## FORM 2-F

Appendix forming part of Balance Sheet as on.....  
 Name of Authority/Committee.....

(Amount-Rs.)

	Current Year	Previous Year
<b>APPENDIX 29—DEFERRED CREDIT LIABILITIES:</b>  (a) Acceptances Secured by hypothecation of capital equipment and other assets. (b) Others		
<b>Total</b>		
<b>Note.—Amounts due within one year.</b>		

## FORM 2-G

Appendix forming part of Balance Sheet as on.....

Name of Authority/Committee.....

(Amount-Rs.)

## APPENDIX 30—CURRENT LIABILITIES AND PROVISIONS:

## A. Current Liabilities

1. Acceptances
2. Sundry Creditors:
  - (a) For Goods
  - (b) Others
3. Advances received
4. Interest accrued but not due on:
  - (a) Secured loans/borrowings
  - (b) Unsecured loans/borrowings
5. Statutory Liabilities:
  - (a) Overdue
  - (b) Others
6. Other Current Liabilities

Total (A)

## B. Provisions

1. For Taxation
2. Gratuity
3. Superannuation/Pension
4. Accumulated Leave Encashment
5. Trade Warranties/Claims
6. Others

Total (B)

## FORM 2-H

Appendix forming part of Balance Sheet as on.....

Name of Authority/Committee.....

## APPENDIX 31—FIXED ASSETS:

Description

Description	Gross Block						Depreciation		* (Amount-Rs.)	
	Cost/valuation as on beginning of the year	Additions during the year	Deductions during the year	Cost/valuation at the end of the year	As on the beginning of the year	On Additions during the year	On Deductions during the year	Total up to the end of the year	As on the end of Current Year	As on the end of Previous Year
A. Fixed Assets:										
1. Land										
(a) Freehold										
(b) Leasehold										
2. Buildings:										
(a) On Freehold Land										
(b) On Leasehold Land										
(c) Ownership Flats/Premises										
(d) Superstructures on Land not belonging to the entity										
3. Plant, Machinery and Equipment										
4. Vehicles										
5. Furniture, Fixtures										
6. Office Equipment										
7. Computer/Peripherals										
8. Electric Installations										
9. Library Books										
10. Tubewells and Water Supply										
11. Other Fixed Assets										
Total of Current Year										
Total of Previous Year										
B. Capital Work-in-Progress										
Total										

Note.—To be given as to cost of assets on hire-purchase basis included above.

## FORM 2-I

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Appendix forming part of Balance Sheet as on.....

Name of Authority/Committee.....

(Amount-Rs.)

	Current Year	Previous Year
APPENDIX 32—INVESTMENTS FROM EARMARKED/ENDOWMENT FUNDS:		
1. In Government Securities		
2. Other Approved Securities		
3. Shares		
4. Debentures and Bonds		
5. Subsidiaries and Joint Ventures		
6. Others		
Total		

## FORM 2-J

Appendix forming part of Balance Sheet as on.....

Name of Authority/Committee.....

(Amount-Rs.)

	Current Year	Previous Year
APPENDIX 33—INVESTMENTS—OTHERS		
1. In Government Securities		
2. Other Approved Securities		
3. Shares		
4. Debentures and Bonds		
5. Subsidiaries and Joint Ventures		
6. Others		
Total		

FORM 2-K

Appendix forming part of Balance Sheet as on.....

Name of Authority/Committee.....

(Amount-Rs.)

APPENDIX 34—CURRENT ASSETS, LOANS, ADVANCES, ETC.:

A. Current Assets

1. Inventories:

- (a) Stores and Spares
- (b) Loose Tools
- (c) Stock-in-trade
  - Finished Goods
  - Work-in-progress
  - Raw Materials

2. Sundry Debtors:

- (a) Debts Outstanding for a period exceeding six months
- (b) Others

3. Cash balances in hand (including cheques/drafts and imprest)

4. Bank Balances

(a) With Scheduled Bank:

- On Current Accounts
- On Deposit Accounts (includes margin money)
- On Savings Accounts

(b) With non-Scheduled Banks:

- On Current Accounts
- On Deposit Accounts
- On Saving Accounts

5. Post Office-Savings Accounts

Total (A)

Current Year

Previous Year

**B. Loans, Advances and Other Assets****1. Loans:**

- (a) Staff
- (b) Other Entities engaged in activities/objectives similar to that of the Entity
- (c) Other (Specify)

**2. Advances and other amounts recoverable in cash or in kind or for value to be received:**

- (a) On Capital Account
- (b) Repayments
- (c) Others

**3. Income Accrued:**

- (a) On Investments from Earmarked/Endowment Funds
- (b) On Investments—Others
- (c) On Loans and Advances
- (d) Others  
(includes income due unrealised-Rs.....)

**4. Claims Receivable****Total (B)****Total (A+B)**

# FORM 3

Appendix forming part of Accounts for the Period/Year ended.....

Name of Authority/Committee.....

## Significant Accounting Policy Certificates

### 1. Accounting Convention

The financial statements are prepared on the basis of historical cost convention, unless otherwise stated and on the actual method of accounting.

### 2. Inventory Valuation

1. Stores and Spares (including machinery spares) are valued at cost.
2. Raw materials, semi-finished goods and finished goods are valued at lower of cost and net realizable value. The costs are based on weighted average cost. Cost of finished goods and semi-finished goods is determined by considering material, labour and related overhead.

### 3. Investments

- (1) Investments classified as "long term investments" are carried at cost. Provision for decline, other than temporary, is made in carrying cost of such investments.
- (2) Investments classified as "Current" are carried at lower of cost and fair value. Provision for shortfall on the value of such investments is made for each investment considered individually and not on a global basis.
- (3) Cost includes acquisition expenses like brokerage, transfer stamps.

### 4. Excise Duty

Liability for excise duty in respect of goods produced by the entity, other than for exports, is accounted upon completion of manufacture and provision is made for excisable manufactured goods as at the year-end.

### 5. Fixed Assets

- (1) Fixed Assets are stated at cost of acquisition inclusive of inward freight, duties and taxes and incidental and direct expenses related to acquisition in respect of projects involving construction, related pre-operational expenses (including interest on loans for specific project prior to its completion), form part of the value of the assets capitalized.
- (2) Fixed Assets received by way of non-monetary grants (other than towards the Corpus Fund), are capitalised at values stated, by corresponding credit to Capital Reserve.

#### 6. Depreciation

(1) Depreciation is provided on straight-line method as per rates specified in the Income-tax Act, 1961, except depreciation on cost adjustments arising on account of conversion of foreign currency liabilities for acquisition of fixed assets, which is amortized over the residual life of the respective assets.

(2) In respect of additions to/deductions from fixed assets during the year, depreciation is considered on pro-rata basis.

(3) Assets costing Rs. 5,000 or less each are fully provided.

#### 7. Miscellaneous Expenditure

Deferred revenue expenditure is written off over a period of 5 years from the year it is incurred.

#### 8. Accounting for Sales

Sales include excise duty and are net of sales returns, rebate and trade discount.

#### 9. Government Grants/Subsidies

(1) Government grants of the nature of contribution towards capital cost of setting up projects are treated as Capital Reserve.

(2) Grants in respect of specific fixed assets acquired are shown as a deduction from the cost of the related assets.

(3) Government grants/subsidy are accounted on realisation basis.

#### 10. Foreign Currency Transactions

(1) Transactions denominated in foreign currency are accounted at the exchange rate prevailing at the date of the transaction.

(2) Current assets, foreign currency loans and current liabilities are converted at the exchange rate prevailing as at the year end and the resultant gain/loss is adjusted to cost of fixed assets, if the foreign currency liability relates to fixed assets, and in other cases is considered to revenue.

#### 11. Lease

Lease rentals are expensed with reference to lease terms.

#### 12. Retirement Benefits

(1) Liability towards gratuity payable on death/retirement of employees is accrued based on actuarial valuation.

(2) Provision for accumulated leave encashment benefit to the employees is accrued and computed on the assumption that employees are entitled to receive the benefit as at each year end.

## FORM 4

Appendix forming part of Accounts for the Period/Year ended.....  
 Name of Authority/Committee.....

**Certificates in respect of Contingent Liabilities and Notes on Accounts (Illustrative)**

**1. Contingent Liabilities**

- (1) Claims against the Entity acknowledged as debts—Rs. \_\_\_\_\_ (Previous Year Rs. \_\_\_\_\_)
- (2) In respect of
  - Bank Guarantees given by/on behalf of the Entity—Rs. \_\_\_\_\_ (Previous Year Rs. \_\_\_\_\_)
  - Letters of Credit opened by Bank on behalf of the Entity Rs. \_\_\_\_\_ (Previous Year Rs. \_\_\_\_\_)
  - Bills discounted with Banks Rs. \_\_\_\_\_ (Previous Year Rs. \_\_\_\_\_)
- (3) Disputed demands in respect of
  - Income-tax Rs. \_\_\_\_\_ (Previous year Rs. \_\_\_\_\_)
  - Sales-tax Rs. \_\_\_\_\_ (Previous year Rs. \_\_\_\_\_)
  - Municipal Tax \_\_\_\_\_ (Previous year Rs. \_\_\_\_\_)
- (4) In respect of claim from parties for non-execution of orders, but contested by the Entity Rs. \_\_\_\_\_ (Previous year Rs. \_\_\_\_\_)

**2. Capital Commitments**

Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. \_\_\_\_\_  
 (Previous year Rs. \_\_\_\_\_)

**3. Lease Obligations**

Future obligations for rentals under finance lease arrangements for plant and machinery amount to Rs. \_\_\_\_\_ (Previous year Rs. \_\_\_\_\_)

**4. Current Assets, Loans and Advances**

In the opinion of the management, the current assets, loans and advances have a value on realisation in the ordinary course of business, equal at least to the aggregate amount shown in the Balance Sheet.

**5. Taxation**

In view of there being no taxable income under Income-tax Act, 1961, no provision for Income tax has been considered necessary.

6. Foreign Currency Transactions	Current Year	(Amount-Rs.) Previous Year
(1) Value of Imports Calculated on C.I.F. Basis —Purchase of finished Goods —Raw Materials & Components (including in transit) —Capital Goods —Stores, Spares and Consumables		
(2) Expenditure in foreign currency (a) Travel (b) Remittances and Interest payment to Financial Institutions/Banks in Foreign Currency (c) Other expenditure —Commission on Sales —Legal and Professional Expenses —Miscellaneous Expenses		
(3) Earnings: Value of Exports on FOB basis		
(4) Remuneration to auditors: As Auditors —Taxation matters —For Management services —For certification Others		
7. Corresponding figures for the previous year have been regrouped/rearranged, wherever necessary.		
8. Appendix 1 to 23 are annexed to and form an integral part of the Balance Sheet as at.....and the Income and Expenditure Account for the year ended on that date.		

## FORM 5

Receipts and Payments for the period/Year ended.....

Name of Authority/Committee.....

(Amount-Rs.)

Receipts	Current Year	Previous Year	Payments	Current Year	Previous Year
<b>I Opening Balances</b> (a) Cash in hand (b) Bank Balances (i) In current accounts (ii) In deposit accounts (iii) Saving accounts <b>II Grants Received</b> (a) From Government of India (b) From State Government (c) From Other sources (details) (Grants for capital & revenue expenditure—To be shown separately) <b>III Income on Investments from</b> (a) Earmarked/Endowment Funds (b) Own Funds (Other Investment) <b>IV Interest Received</b> (a) On Bank deposits (b) Loans, Advances, etc., <b>V Other Income (Specify)</b>  <b>VI Amount Borrowed</b> <b>VII Any other receipts (give details)</b>			<b>I Expenses</b> (a) Establishment Expenses (Corresponding to Schedule 20) (b) Administrative Expenses (Corresponding to Schedule 21) <b>II Payments made against funds for various Projects</b> (Name of the fund or project should be shown along with the particulars of payments made for each project). <b>III Investments and deposits made</b> (a) Out of Earmarked/Endowment funds (b) Out of Own Funds (Investment others) <b>IV Expenditure on Fixed Assets &amp; Capital</b> Work-in-progress. (a) Purchase of Fixed Assets. (b) Expenditure on Capital Work-in-progress. <b>V Refund of surplus money/Loans</b> (a) To the Government of India (b) To the State Government (c) To other providers of funds <b>VI Finance Charges (Interest)</b> <b>VII Other Payments (Specify)</b> <b>VIII Closing Balances</b> (a) Cash in hand (b) Bank Balances (i) In current accounts (ii) In deposit accounts (iii) Savings accounts		
<b>Total</b>			<b>Total.</b>		