

**ANDAMAN & NICOBAR ADMINISTRATION
SECRETARIAT**

Sri VijayaPuram, dated-..... December, 2025

NOTIFICATION

No.....F.No..... in exercise of power conferred under Section of the 202 of the Andaman & Nicobar Islands (Panchayats) Regulation 1994 and in suppression of all previous notifications on Panchayati Raj Grant –In –Aid Rules, the Lifenant Governor (Administrator), A & N Islands proposes to make following draft rules for inviting objection and suggestions (if any) to these Rules from all concerned.

Objection and suggestions (if any) on these Rules may be submitted to the Director (RD/Panchayat) A & N Administration (30 days) from the date of publication of this notification in the Official Website.

**ANDAMAN & NICOBAR ISLANDS
(GRANT-IN –AID TO PANCHAYTI RAJ INSTITUTIONS)
RULES, 2025**

1. Short Title & Commencement:-

- a. These Rules may be called the **Andaman & Nicobar Islands (Grant-in-Aid to Panchayati Raj Institutions) Rules, 2025.**
- b. They shall come into force on the date of their publication in the Official Gazette.

2. Definitions:-

In these rules, unless the context otherwise requires:

- a. “Administration” means the Andaman and Nicobar Administration;
- b. “Administrative approval” means the formal approval by the PRIs on the necessity of works proposed through its resolution;
- c. “Administrative Approval & Expenditure Sanction”, means the memorandum duly signed and issued by the Panchayat Secretary/**Executive Officer**/Chief Executive Officer as the case may be with the approval of the concerned heads of PRIs or other Competent Authorities subject to conditions laid down in item 2 of the Schedule I.
- d. “Administrator” means the Administrator of the Union Territory of the Andaman and Nicobar Islands appointed by the President under Article 239 of the constitution;
- e. “Competent authority” in relation to Technical sanction and Administrative Approval and Expenditure sanction are the authorities specified in the item 1 & 2 of the Schedule –I of these Rules respectively.
- f. “Director, Panchayats” means the officer who is appointed by the Administrator as Director in the Panchayat Department in the Union Territory;
- g. “Gram Panchayat” means a Gram Panchayat constituted under sub-section (1) of section 11 of Andaman and Nicobar Islands (Panchayats) Regulation,1994;

- h. "Original works" means new construction as specified in Schedule-II of these rules;
- i. "Other works" means works other than "Original works" and also includes periodical repairs and maintenance of works;
- j. "Panchayats" means Gram Panchayat, Panchayat Samiti and Zilla Parishad;
- k. "Panchayati Raj Institutions (PRIs)" means institution of Gram Panchayat, Panchayat Samiti and Zilla Parishad;
- l. Panchayat Samiti means a Panchayat Samiti constituted for a block under Sec 106 of the A & N Islands(Panchayats) Regulation, 1994;
- m. "Secretary, Panchayats" means the Officer who is appointed by the Administrator as Secretary in the Panchayat Department in the Union Territory.
- n. "Society" means Un-employed Co-operative Society/Co-operative Society having civil construction works as one of its objective registered under section 8 of Andaman & Nicobar Islands Co-operative Societies Regulation, 1973 in the office of Registrar of Co-operative Societies by completing all the formalities and thereafter enrolled with the Panchayati Raj Institutions.
- o. "Technical sanction" means sanction of the competent authority to the detailed plans and estimates of the PRI works before the Administrative Approval and Expenditure Sanction is received, which shall ensure the proposals are structurally and technically sound and the data and calculations in the estimates are correct.
- p. "Zilla Parishad" means a Zilla Parishad constituted under Section 144 of the Andaman and Nicobar Islands (Panchayats) Regulation, 1994.

3. Purpose for which Grant-in-Aid to be sanctioned:-

- a. Grant-in-Aid shall be sanctioned for all or any of the schemes specified below:
 - i. **In respect of Gram Panchayat:** All schemes/works specified in the Second Schedule of A & N Islands (Panchayats) Regulation, 1994 including any addition/alteration/deletion made thereon and notified from time to time.
 - ii. **In respect of Panchayat Samiti:** All schemes/works specified in the Fifth Schedule of A & N Islands (Panchayats) Regulation, 1994 including addition/alteration/deletion made thereon and notified from time to time.
 - iii. **In respect of Zilla Parishad :** All schemes/works specified in the Sixth Schedule of A & N Islands (Panchayats) Regulation, 1994 including any addition/alteration/deletion made thereon and notified from time to time.
- b. Grant-in-Aid may also be sanctioned to meet:

Repairs of assets created, salary of the officers and staff posted in PRIs, Honorarium, TA/DA of elected representatives, office expenses and other charges like payment of electricity charges, telephone bills and Government dues as the Administrator may consider necessary.

4. (a) **Quantum of Grant-in-Aid :-** The amount of Grant-in-Aid to PRIs may be in full for the estimated cost of works as technically approved by the competent authority and for the salary expenditure, honorarium to elected members or in the partial as the Chief Secretary may consider fit and proper:

Provided that the Chief Secretary may, for financial or other specific reasons to be recorded in writing, reduce the percentage of Grant-in-Aid or reject an application made under Rule5(a).

- (b) The Director, Panchayats after ascertaining the necessity of funds of concerned PRI may reduce the allotment of fund or allot additional fund to that PRI under various sectors with the approval of Administrator without disturbing the ratio among the **three** tiers of PRIs prescribed in the notification issued from time to time.
- (c) Grant-in-Aid may also be sanctioned to PRIs against actual revenue of individual Gram Panchayat/Panchayat Samiti /Zilla Parishad as “Matching Grant” based on the revenue collected during the Previous Year in the ratio of 1 (Revenue): 3(Matching Grant). However, the Administrator reserves the right to increase or decrease the ratio of revenue and Matching Grant at any time after recording the reasons in writing to do so.

Explanation: “Revenue” includes the taxes, duties, tolls, cess, fees etc. mentioned in Section 37, **128** and 170 of the Regulation and shall also include the income from their own sources such as rent, hiring charges etc., but shall not include donation, interests from deposits and grants.

5. (a) **Procedure for making application for Grant-in-Aid:-** Every application for Grant-in-Aid shall be submitted by the PRIs directly to the Director, Panchayats with the Joint signatures of Panchayat Secretary & Pradhan, **Executive Officer & Pramukh**, Chief Executive Officer & Adhyaksh, as the case may be in Form ‘A’ as specified in Schedule – III.

(b) Procedure for making application for Matching Grant:- Application for Matching Grant shall be submitted by the PRIs directly to the Director, Panchayats with the joint signatures of Panchayat Secretary & Pradhan, **Executive Officer & Pramukh**, Chief Executive Officer & Adhyaksh as the case may be in Form ‘B’ as specified in Schedule-III, duly supported by extract of audit report in respect of actual revenue collected during the previous year. If the audit is not conducted, PRIs should submit the revenue collection certificate with the joint signature of Panchayat Secretary & Pradhan in the case of Gram Panchayats, **Assistant Accounts Officer & Executive Officer in the case of Panchayat Samitis** and Chief Accounts Officer & Chief Executive Officer in the case of Zilla Parishad. These certificates shall be ratified during the regular audit.

(c) Checks to be ensured before submitting the Grant-in-Aid applications:-

The following checks shall invariably be done by the Panchayat Secretary/**Executive Officer**/ Chief Executive Officer as the case may be before submitting the Grant-in-Aid applications:-

- i. Whether the application is made in the prescribed format and in complete shape.
- ii. Whether all the required information and the documents as specified in the format has been enclosed with the application.
- iii. Whether the Action Plan in Schedule-IV with the approved works by Gram Sabha, included in Annual Plan is attached with the application.
- iv. Whether the particulars given in the opening balance in the Utilisation Certificate are correct.
- v. Whether the interest earned by the PRIs in the respective sector is remitted in Government Account and recorded in the Utilization Certificate.
- vi. Whether the revenue collected in the previous year is indicated duly supported by extract of audit report/certificate specified in Rule 5(b) these rules for Matching Grant.

6. Procedure for sanctioning Grant-in-Aid:-

- a. On receipt of an application made under Rule 5(a) for Grant-in-aid, the Director, Panchayats shall cause such enquiry as he thinks fit to be made into the statements contained in the application and into the purpose for which Grant-in-Aid is applied for and after being satisfied forward the application along with his/her recommendations to the Secretary, Panchayats or such other officer-in-charge of Panchayats Department in the Administration. He/She will make such scrutiny or enquiry about the statements made therein as he/she may think fit and after satisfying himself/herself recommend the Administrator.
- b. If it appears to the **Administrator** that the work proposed to be executed with the Grant-in-Aid can very well be met by the PRIs from its own resources or that there is lack of sufficient funds with the sanctioning authority or for any other specific reasons, to be recorded in writing, he may reject the application.
- c. If it appears to the **Administrator** that the financial assistance is needed for any one of the purposes indicated in Rule 3, he may, after such enquiry as he deems necessary, accord sanction of Grant-in-Aid with due regard to the principles enunciated in the General Financial Rules, 2005, as amended from time to time and also impose special condition if required.
- d. On receipt of application made under Rule 5(b) for Matching Grant, the Director, Panchayats shall make such scrutiny or enquiry as he thinks fit to be made into the statements of actual revenue indicated in the audit

report/revenue certificate submitted as per Rule 5(b) and after being satisfied, forward the application along with his recommendation through the Secretary Panchayats or such other Officer-in-Charge of Panchayats Department to the **Administrator**.

- e. The Grant-in-Aid application so received under Rule 5(a) and 5(b) shall be processed by the Director, Panchayats and orders of **Administrator**, A & N Administration thereof shall normally be communicated within 60 days.
- f. The Grant-in-Aid shall not be sanctioned to the PRIs in case the utilization certificate in Form D and Action Plan in Form E as specified in Schedule-III of these rules, are not furnished along with the Grant-in-Aid application.
- g. If any, unauthorized expenditure is noticed by the **Administrator**, and then an equal amount shall be reduced from the subsequent Grants for that sector.

7. i) **Mode of payment of Grant-in-Aid:-** The Grant-in-Aid including Matching Grant to PRIs may be paid in one full instalment or more at the discretion of the sanctioning authority, subject to the following conditions:

- a. If the execution of an original work taken up by the PRI is likely to be spread over a period of more than one financial year, only the amount required for execution of work during that financial year would be released keeping in view the progress of the work.
- b. If the execution of an original work taken up by the PRI is likely to be completed within that financial year, the entire amount shall be released to the PRI concerned.

ii.) The Grant-in-Aid under Rural Water Sector shall be released to the PRIs on the basis of report of estimated cost of project by the concerned Executive Engineer of Gram Panchayats/**Panchayat Samitis**/Zilla Parishads along with his recommendation.

iii) If the work of laying new pipeline is proposed by the PRIs where the water source is maintained by APWD, they shall obtain "No Objection Certificate" in **Form 'E'** as prescribed in Schedule-III from the Executive Engineer, APWD of the respective area in order to avoid duplication of work.

8. Utilisation of Grant-in-Aid including Matching Grant:-

- a. The Grant-in-Aid shall be utilized only for the purpose for which it is granted. However if the whole or any part of the Grant-in-Aid deposited with the banks in the Fixed Deposit for the work which could not be carried out for reasons like non availability of sanctions, land , materials or any other Administrative reason, the interest earned thereon shall be taken to the same account so as to offset cost explanation caused due to delay in starting the work.1the PRIs shall not utilize the interest so earned for any other purpose.

- b. The Grant –in –Aid in full or any portion which is ultimately not required for expenditure for the purpose for which it is sanctioned shall be duly surrendered to the Administration in one lump sum.
- c. No work shall be commenced and no liability shall be incurred in connection with any work until and unless Administrative Approval and Expenditure Sanction are accorded by the competent authority. The mere provision in the budget estimate shall not give any authorization for the commencement of the work.
- d. The Grant-in-Aid shall be utilised within a period of twelve months from the date of receipt of sanction of the same, and utilisation Certificate should be submitted as per Rule 212(1) of GFR 2005 except in cases where time limit exceeding one year has been fixed by the sanctioning authority.

Provided that the Administrator may, if considered necessary, extend the time limit for any period not exceeding one year at a time.

- e. The fund allotted to the PRIs as Grant-in-Aid shall not be diverted or loaned or temporarily transferred or in any other manner from one sector to other sector or one institution to the other, without the approval of the Administrator.
- f. In addition to the above condition, the principles laid down in Rules 206 to 214 of the General Financial Rules, 2005 and the instructions issued by the Ministry of Finance, Government of India/Administration from time to time in respect of financial matters as applicable to the Line Departments of the Administration shall be equally applicable to PRIs for expenditure out of Grant-in-Aid and other funds of PRIs.
- g. The electricity charges/telephone bills and any other Government dues shall not be withheld in any circumstances by the heads of PRIs when funds are available with them. Where such dues have not been settled despite availability of funds the Administration shall be at liberty to withhold an equal amount so as to make necessary adjustments.
- h. The payment of bills of the completed works shall be cleared by the PRIs in seriatim i.e. the bill received first shall be cleared first; the bill received second shall be cleared second and so on. The AE/EE shall maintain a register of Running Account Bill/Final Bill submitted to PRIs with date of submission/re-submission as the case may be and the PRIs shall also maintain a register indicating the clearance of bills with date of passing and issuance of cheque.

9. Procurement Process:-

- a) In respect of Gram Panchayats, the Panchayat Secretary & Pradhan shall jointly have power to purchase goods upto the value of ` 15,000/- (Rupees Fifteen Thousand Only) on each occasion without inviting

quotations or bids on the basis of a certificate recorded by them jointly as prescribed in Rule 145 of General Financial Rule 2005.

- b) Any purchase exceeding **15,000/- (Rupees Fifteen Thousand only) and upto 10,00,00/- (Rupees One Lakh only)** shall be made only after resolution is passed by the Gram Panchayat however, no such resolution shall be passed for more than one purchase including different items at a time in a single meeting.
- c) For purchases exceeding **10,00,00/- (Rupees One Lakh only)**, notice inviting tender shall be published compulsorily in the Daily Telegram, Deep Samachar, on the Notice Board of the Government Office/Establishments in the locality and the website of Administration by the Panchayat Secretary of the GP concerned.
- d) During a financial year, expenditure on purchases including street light materials, Annual Maintenance Contract and office expense of the Gram Panchayat shall not exceed 30 % of the total amount released as Grant-in-Aid under General sector.
- e) The Panchayat Secretary and Pradhan shall jointly have power to incur expenditure in each case upto 15000 /- for contingent expenditure subject to availability of fund and after observing codal formalities as per GFR 2005 as amended from time to time. Contingent expenditure exceeding rs 15000/- shall be incurred only after passing a resolution in the Gram Panchayat, However no such resolution shall be passed for more than one purchase different items at a time. The contingent expenditure shall be as defined in Delegation of Financial Powers Rules, 1978 as amended from time to time.
- f) In respect of Panchayat Samiti, the Executive Officer shall have powers at par with Head of office in the Administration for sanction of expenditure except for works, subject to availability of funds in the Budget under the relevant sector and the restrictions and conditions as laid down for Head of Office contained in Admn's Order No.253, dtd.29.1.2009 and as amended by the A & N Administration's Order as issued from time to time. The Contingent expenditure beyond the power of Head of Office shall be incurred only after passing resolution in the Panchayat Samiti. However, no such resolution shall be passed for more than one purchase including different items at a time. The Contingent Expenditure as defined in Delegation of Financial Rules, 1978, and as amended time to time.
- g) In respect of Zilla Parishad, the Chief Executive Officer shall have powers at par with the Head of Department in the Administration for sanction of expenditure except for works, subject to availability of fund in the budget under the relevant head and the restrictions and conditions as laid down for Head of Departments contained in the Administration Order No. 253 dated 29.01.2009 and as amended by the Administration from time to time.

10.Implementation of schemes/Execution of works :-

- (a) The work shall be implemented as per the Action Plan submitted to the Administration under the supervision of the technical staffs of PRIs/Line

Departments as the case may be. Work shall be carried out with the supervision of technical staffs at every stage.

- (b) The Form 'C' as prescribed in Schedule-III shall be certified by the Panchayat Secretary & Pradhan, **Executive Officer & Pramukh** and Chief Executive Officer & Adhyaksh as the case may be on completion of the original work. The portion of completion/stability certificate in Form 'C' shall be certified by the concerned Junior Engineer/Assistant Engineer/Executive Engineer and Technical Staff of Line Departments as the case may be. It is mandatory that the Panchayat Secretary/Executive Officer/Chief Executive Officer shall get the certificate **within 3 months from the date of completion of work.**
- (c) The guidelines contained in the Central Public Works Account Manual/Code **as amended from time to time** and the General Financial Rules, 2005 **as amended from time to time**, regarding calling of tenders of execution of works, etc. shall *mutatis mutandis* apply for all PRIs work.

11. Asset Creation, Operation and Maintenance:-

- a) In all cases of assets created by or transferred to the PRIs, the responsibility for maintenance of such assets shall lie with the respective PRIs.
- b) The Grant-in-Aid released for maintenance shall be utilized only for maintenance of assets already created by or transferred to the PRIs.

12. Audit and Accounting System: -

- a) The Administration shall audit the accounts of the PRIs through the Local Fund Audit of the Administration. The Local Fund Audit shall also audit the revenue collection of PRIs and issue a certificate. The Administration may also appoint independent agency, if necessary, for ascertaining and to ensure whether the Grant-in-Aid given to the PRIs are duly utilized for the purpose for which it is sanctioned and the unutilized balance and the interest earned is surrendered/ deposited in accordance with these rules as well as the General Financial Rules, 2005, as amended from time to time.
- b) The accounts of PRIs shall be open to test check by the Comptroller and Auditor General of India at their discretion and by any other officer authorized by the Administrator on their behalf.
- c) The PRIs shall follow the provisions of A & N Islands (Panchayat Accounts & Finance) Rules, 1997 amended from time to time for receipt and disbursement of Grant-in-Aid and remittance into the Bank and Operation of Accounts.

13. Management of Records and submission of Performance Report: -

- a) The PRIs shall maintain a register in Form 21 & 24 appended to A & N Islands (Panchayat Accounts & Finance) Rules, 1997 for movable and immovable assets acquired wholly or partially out of Grant-in-aid. Panchayat Secretary/**Executive Officer**/Chief Executive Officer shall ensure that the asset register is updated time to time on completion of each and every work and quarterly progress report shall be submitted to Director, Panchayats in an abstract form as prescribed by him/her from time to time on or before the 10th day of the following month.
- b) The concerned Executive Engineer of Gram Panchayats/**Panchayat Samities**/Zilla Parishads shall submit quarterly progress reports with physical and financial updation in an abstract format on execution of works to the Director Panchayats. These reports shall be furnished as below: -

1st quarter - by 15th July

2nd quarter - by 15th October

3rd quarter - by 15th January

4th quarter - by 15th April

- c) The PRIs receiving Grant-in-Aid shall submit an annual performance-cum-achievement report about the progress and implementation of various schemes executed by them. The report shall be submitted to the Director, Panchayats on or before 30th June of every year.
- d) The Executive Engineers of Gram Panchayats /**Panchayat Samities** /Zilla Parishads shall maintain record of the works awarded by PRIs to the Un-employed Co-operative Societies/Co-operative Societies having civil construction work as one of its objective and shall submit the quarterly progress report of the same to the Director, Panchayats. These reports shall be furnished as below: -

1st quarter - by 15th July

2nd quarter - by 15th October

3rd quarter - by 15th January

4th quarter - by 15th April

14. Evaluation and Monitoring Outcomes: -

- a) The Director, Panchayats or any other officer duly authorized by him, on his behalf, from the Panchayat Department or from the respective line Departments shall have the right of inspections at all reasonable times and calling for plans and estimates in respect of any scheme for which the Grant-in-Aid is given.

- b) The Director, Panchayats shall constitute an internal inspection team to ensure proper accountability, Audit and Monitoring of works undertaken by all tiers of PRIs and shall carryout the field inspections within 20 days in respect of the quarterly reports submitted under Rule 13 (b) & (d).
- c) The Director, Panchayats shall constitute an internal inspection team and inspect cash books, agreements, measurement books, vouchers etc of the PRIs regularly.

15. Penalties: -

- a) In case of default by any of the PRIs in performing any duty imposed upon it under these rules, the Administrator may fix a period for the performance of that duty and if it is not performed within that period so fixed, the Administrator shall after giving due notice to the concerned PRIs and allowing a reasonable period to rectify the failure, appoint a person to perform that duty and the expenses thereof shall be met from the Grant-in-aid of the respective PRIs, as fixed.
- b) The Administration reserves the right to order refund of the entire amount or a portion of Grant-in-Aid sanctioned to the PRIs if any breach of terms of these rules is noticed on the part of that particular PRI and in that case penal interest at the rate of 8% per annum or at the rate fixed by the Ministry of Finance, Govt. of India/Administration from time to time shall be charged. In such cases, the administrator reserves the right to stop further grants, for such period as decided by him.
- c) If the fund availability certificate issued is found to be false, it will be treated as lapse on the part of Panchayat Secretary/**Executive Officer**/Chief Executive Officer as the case may be and necessary disciplinary proceeding as deemed fit shall be initiated as per CCS (Conduct) Rules, 1964 and CCS (CCA) Rules, 1965 as amended from time to time.
- d) In case of any monetary loss occurring to the Panchayats due to the violation of these Rules, such losses shall be recovered from the respective authority as per the provisions of A & N Islands (Panchayats) Regulation, 1994 as well as under other relevant statutes.
- e) Submission/issuance of false Utilization Certificate/Revenue Collection Certificate/**Form 'D'**,non adherence of procurement process as prescribed in these Rules shall invite disciplinary proceeding against the Officials as per CCS (Conduct) Rules, 1964 and CCS (CCA) Rules, 1965as amended from time to time.

16. Removal of difficulties and/or inconsistencies: -

- a) Wherever any difficulty and/or inconsistency arises in the case of any provisions of these Rules with respect to any provisions of any other Rules notified under the Regulation, the provisions of these Rules shall prevail over the provisions of other Rules.

- b) Wherever any difficulty and/or inconsistency arise in the case of any provisions of these Rules with that of the provisions/sections of the Regulation, the Regulation shall prevail over these Rules.

17. Removal of doubts: -

If any doubt arises as to the interpretation of any of the provision of these Rules, the matter shall be referred to the Administrator or such authority as may be specified by the Administrator by a general or special order, and the decision of the Administrator or such authority shall be final.

18. Reference of earlier Rules & Amendments: -

The following notifications and orders/instructions on the matters contained in these Rules shall stand rescind from the date of coming into force of these Rules.

- a) The Andaman and Nicobar Islands (GIA to PRIs) (Amendment) Rules, 2010 [Notification No. 309/2010 dated 01.10.2010]
- b) The Andaman and Nicobar Islands (GIA to PRIs) (Amendment) Rules, 2012 [Notification No. 07/2012 dated 20.01.2012]
- c) The Andaman and Nicobar Islands (GIA to PRIs) (Amendment) Rules, 2017 [Notification No. 249/2017 dated 17.10.2017]

Provided, however, that the rescinding of the above said Rules/ Notifications shall not affect the previous operation of the said Rules/Notifications/Orders or anything duly done or suffered there under.

SCHEDULE - I
[See Rule 2 (e)]

1. Technical Sanction:

S. No.	Estimated Cost of Work	Competent Authority
1.	Upto ₹ 6 Lakhs	Assistant Engineer
2.	Upto ₹ 1 Crore	Executive Engineer
3.	Upto ₹ 10 Crores	Superintending Engineer

Note: -

- i) This delegation of power is subject to observance of the provisions contained in CPWD Works Manual and as amended from time to time.

2. Administrative Approval and Expenditure Sanction for works: -

I. Gram Panchayat

Estimate Cost of Work	Competent Authority
1. Works costing upto ₹ 20 Lakhs	Pradhan, Gram Panchayat
2. Works costing more than ₹ 20	Director, Panchayats

Lakhs and upto ₹ 50 Lakhs	
3. Works costing more than ₹ 50 Lakhs and upto ₹ 1 Crore	Secretary, Panchayats *
4. Works costing above ₹ 1 Crore	Relevant authority under the Administration as per the delegation of financial powers.

II. Panchayat Samiti

Estimate Cost of Work	Competent Authority
1. Works costing upto ₹ 50 Lakhs	Pramukh, Panchayat Samiti
2. Works costing more than ₹ 50 Lakhs and upto ₹ 100 lakhs where AE Planning is attached with EE)	Secretary, Panchayats*
3. Works costing above ₹ 100 lakhs	Relevant authority under the Administration as per the delegation of financial powers

II. Zilla Parishad

Estimate Cost of Work	Competent Authority
1. Works costing upto ₹ 1.5 Crore	Adhyaksh, Zilla Parishad
2. Works costing above ₹ 1.5 Crore	Relevant authority under the Administration as per the delegation of financial powers.

* Where the post is held by an officer of the rank of Commissioner-cum-Secretary or Principal Secretary, as the case may be, the relevant financial limit shall apply.

Note:

The above power shall be exercised subject to the following conditions: -

- a) The projects, being part of the Annual Plan approved by the Gram Sabha shall be executed only after passing a resolution by the respective PRIs.
- b) Availability of the land for the projects. The land shall be free from all encumbrances.
- c) The value of sanction of projects/works shall not exceed the available fund under each sector.
- d) All the Preliminary estimates shall be routed through the Panchayat Secretary/**Executive Officer**/Chief Executive Officer as the case may be, for Administrative approval and Expenditure Sanction of the heads of the respective PRIs.
 - (i) Preliminary estimates shall be prepared based on the requisition of respective Pradhan, **Panchayat Samitimember** and Zilla Parishad member for obtaining Administrative Approval & Expenditure Sanction of head of respective PRIs.

- (ii) Detailed estimate shall be prepared based on detailed design, plan and site conditions for accordance of technical sanction by the competent authority before the award of work.
 - (iii) The amount provided for contingencies shall be utilized as per the powers delegated to various officers of Engineering Wing in accordance with the CPWD Manual and GFR 2017 as amended from time to time.
- e) The Administrative Approval and Expenditure Sanction for estimates beyond the financial power of the PRI shall be obtained from the competent authority through Director, Panchayat. The proposal for Administrative Approval & Expenditure Sanction submitted to the Director Panchayat shall consist of Estimate duly technically sanctioned, Fund Availability Certificate, Land availability Certificate/latest NOC from the Revenue Authority, Annual Action Plan(current year), Gram Sabha.
 - f) In the case of emergent works, repair and maintenance of the assets already created by the PRIs and not included in the Annual Plan, shall be taken up on the recommendation of the standing committee/ works committee as the case may be as prescribed in Rule 6(i) of the A & N Islands (Panchayati Raj Institutions) (Constitution of Committees) Rules, 2005 with the technical approval of the Executive Engineer, PRI (GP& **PS**) and Executive Engineer, PRI(ZP) as the case may be. Such works shall be ratified in the ensuing Gram Sabha meeting.
 - g) While according Administrative Approval and Expenditure Sanction, the PRIs shall ensure adherence of instructions/guidelines issued by A & N Administration from time to time along with the A & N Islands Panchayat Regulations, 1994.
 - h) The Engineers of PRIs shall award the works to the societies with call of tender.
 - i) In respect of items other than works, provisions of General Finance Rules, 2017 as amended from time to time shall apply.
 - j) No Administrative Approval & Expenditure Sanction shall be accorded without the submission of fund availability certificate duly signed by the Panchayat Secretary, **Executive Officer** and Chief Executive Officer as the case may be in Form – F as prescribed under Schedule-III. This fund availability certificate shall be issued by them after deducting committed liabilities such as expenditure to be incurred on already sanctioned/awarded works and pending bills.

3. Award of Work through Limited tender to empanelled agencies

S. No.	Extent of Power to issue work order	Competent authority for award of work
1.	UptoRs. 10 Lakhs	Pradhan, based on the resolution passed by the Gram Panchayat

2.	UptoRs. 10 Lakhs	Pramukh, based on the resolution passed by the Panchayat Samiti
3.	UptoRs. 10 Lakhs	Adhyaksh, based on the resolution passed by the Zilla Parishad

Note 1. The estimates for works up to the limit as prescribed above shall be executed through limited tender amongst empanelled agencies as per Rule 139 of GFR 2017. The estimated cost of works beyond this limit shall be executed only through tenders as prescribed in the CPWD Manual and GFR. Splitting of work is not allowed under any circumstances

4.Terms and Conditions for award of works through Limited Tender to empanelled agencies

- i. Any agency having civil construction works as one of its objectives and duly registered with the Registrar of Cooperative Societies (RCS)/Department of Industries, ANI as MSME/any other Government Authority shall register themselves (Hereinafter referred to as empanelled agency) separately with Gram Panchayat, Panchayat Samiti and ZillaParishad for participating in limited tenders from that respective PRI.
- ii. The applications for empanelment received by the PRIs shall be scrutinized by the respective PRI by forming internal committees and the eligible agencies shall be enlisted for award of work through Limited Tender. The empanelment shall be for a period of five years, and may be renewed thereafter subject to fulfillment of eligibility conditions.
The composition of the committees shall be as follows: The Heads of PRIs as Chairman, Panchayat Secretary/Executive Officer/Chief Executive Officer as the case may be as Member, Chairman of the Standing Committee/Works Committee of the respective PRIs as the case may be as member, respective Junior Engineer (for GP) as member for GP, respective Assistant Engineer (for PS) as member and Executive Engineer (for ZP) as member for ZP.
- iii. Before award of any work, the respective Panchayat Secretary/Executive Officer/Chief Executive Officer as the case may be shall check the accounts of the empanelled agencies and ensure that audited account for the previous financial year is available. No work shall be awarded to empanelled agencies if audit is not carried out for the previous year, this clause shall be mandatorily incorporated in the bid/tender document.
- iv. Before award of any work, the members and head of that respective PRI shall give an undertaking that no member in the empanelled agency is related to him/her.
- v. Before award of any work, the enlisted agency shall furnish an undertaking that they shall not take up any work in case a member of the empanelled agency is related with the Pradhan/Pramukh/Adhyaksh and any member of that respective PRI as the case may be, where they are willing to take up the work.
[Explanation: The expression "related" means father / mother, wife / husband, children, brother / sister and brother-in-law / sister-in-law].

- vi. Works shall be awarded through limited tender amongst the empanelled agencies.
- vii. No work shall be awarded to these empanelled agencies without Technical Sanction and Administrative Approval and Expenditure Sanction by the Competent Authority.
- viii. The work shall be awarded by the PRIs after entering into an agreement with such empanelled agencies in writing.
- ix. Such enlisted agencies shall have at least one technically qualified person (Diploma/Degree in Civil Engineering) as its Consultant/Technical Adviser; to get the work awarded/undertake the work/execution of work. The empanelled agencies the services of such technically qualified persons even if he/she is providing his/her services to more than one empanelled agency, but not exceeding five empanelled agencies at any point of time and the same should be ensured by the Superintending Engineer of PRIs.
- x. Such empanelled agencies shall have at least one technically qualified person (Diploma/Degree in Civil Engineering) as its Consultant/Technical Adviser; to get the work awarded/undertake the work/execution of work. The empanelled agencies can engage the services of such technically qualified persons even if he/she is providing his/her services to more than one empanelled agency, but not exceeding five empanelled agencies at any point of time and the same should be ensured by the Superintending Engineer of PRIs.
- xi. The empanelled agencies which defaults in execution of the work in any manner shall be blacklisted by the Superintending Engineer, PRIs based on the recommendation of the respective PRI and they shall not be awarded any work by any PRIs for three consecutive years. List of such empanelled agencies shall be circulated by the SE (PRIs) to other heads of PRIs where they are registered, under intimation to the Director, Panchayats.
- xii.
 - a. The Gram Panchayat/Panchayat Samiti shall award work to the empanelled agencies registered within the respective Gram Panchayat jurisdiction where the work is proposed to be carried out after inviting bids through Limited Tender. The Zilla Parishad shall award work to the empanelled agency registered within the respective Zilla Parishad member constituency jurisdiction where the work is proposed to be carried out.
 - b. If no empanelled agencies exist in the Gram Panchayats jurisdiction, the Gram Panchayat/Panchayat Samiti shall award work from the empanelled agencies of the respective Zilla Parishad member constituency jurisdiction after inviting bids through Limited Tender.
 - c. If no enlisted agencies exist in the Zilla Parishad member constituency jurisdiction, the Gram Panchayat/Panchayat Samiti/Zilla Parishad shall award work from the empanelled agencies registered in the respective Panchayat Samiti jurisdiction after inviting bids through Limited Tender.
 - d. The SE (PRIs) should ensure that the work awarded to the empanelled agencies by the PRIs are strictly as per the provisions of GFR and CPWD works manual and it is mandatory for all PRIs to receive all bids through e-procurements portals in respect of all procurements.

11.20. Further, the definition of “Empanelled Agency” shall be added at Rule 2(fa) which is proposed to be as follows:

2(fa) “Empanelled Agency” means an individual contractor firm, cooperative society or organization that has been formally evaluated, verified and approved by the Panchayati Raj Institution in accordance with these Rules for inclusion in an official panel of the said PRI. Such Agencies meet the prescribed technical, financial and administrative criteria and are authorized to participate in Limited Tenders as per the applicable rules and procedures.

SCHEDULE – II

[See Rule 2(h)]

ORIGINAL WORKS

The following shall be original works for the purpose of sanction of Grant-in-Aid:-

(1) A Scheme of construction work whether of entirely new work of additions or alterations of existing work and purchases thereof and also all works whether of additions and alterations or repairs to bring into use newly purchased or previously abandoned building required for bringing them into use.

(2) All works in relation to building as under:-

- a) When a portion of an existing structure is to be replaced or remodelled whether or not the change involves any dismantlement and the cost of the change represents a genuine increase in the value of the property, the work of replacement or remodelling, as the case may be should be classified as an original work;
- b) When a portion of an existing structure to be dismantled for the reason that it is structurally unsound and is to be replaced by work which is not in material essentials, the same as the work dismantled the mixed work shall be treated as an original work;
- c) When an entire structure is to be re-constructed owing to the occurrence of fire, flood, earthquake, storm or other calamities or owing to wear and tear, the work should be treated as an original work; and

(3) In relation to road works as under:-

- a) Where an existing portion of a road, road-bridge, causeway, embankment, ferry approach, protective or draining work in connection with the road or a cross drainage work is to be replaced or remodelled (whether or not the change involves any dismantlement), and the change results in improving the strength and stability of the structure, the work of the replacement or remodelling, work of as the case may be, shall be classified as original work.
- b) The following items of the works should also be classified as original works, namely:-
 - i) Widening the formation or metalled width of a road, cutting back a hill-side to improve vision at curves;
 - ii) Improvements of alignments or gradients or change of gradient in roads or approaches or bridges or causeways;
 - iii) Construction, reconstruction or remodelling of bridges, culverts, causeways, embankments, ferry approaches, protective or draining works

in connection with a road except when the cost of the work does not exceed prescribed limit.

- iv) Providing improved surfacing of (1) surface dressing, (2) asphalt concrete, (3) pre-mixed assault macadam, (4) bitumen grout, (5) bitumen semi grout, (6) pre-mix carpets, (7) cement concrete and (8) cement macadam;
- v) Metalling of unmetalled roads;
- vi) Special repairs to roads due to improper maintenance for series of years or to any special heavy traffic moving on the road owing to extra-ordinary circumstances.
- vii) Retaining walls/protective walls where there is a threat of earth sliding due to natural factors where such incident loss of life and property.
Provided :-

- a) The retaining wall shall be constructed only on government land/land surrendered to government.
- b) Where the number of beneficiaries are not less than five household.
- c) Where the number of beneficiaries are less than five household and the proposal is duly justified and recommended by a joint committee of officers/elected representatives consists of:
 - The Assistant Commissioner of the respective Sub-Division.
 - The Pradhan of respective Gram Panchayat.
 - The Tehsildar of the area concerned.
 - The Block Development Officer of the area concerned.
 - The Assistant Engineer (PRIs) of the area concerned.
 - The ACF from Environment & Forests Department of the area concerned.

(4) In relation to drainage water works as under :-

- a) Improvements resulting in augmenting water supply, drainage capacity or the change resulting in improving the strength and subsidy of the structure when a portion of an existing water supply or drainage structure is to be replaced or remodelled in order to improve the facilities available.
- b) Construction of draw-wells, tanks including overhead tanks, reservoirs, tube wells with pumping units and distribution system with supply taps.
- c) Construction of gutters and side drains to roads and path-ways.

SCHEDULE - III
FORM - A
[See Rule 5]

APPLICATION FOR GRANT-IN-AID

1. Name of the PRI :
2. Purpose for which grant-in-aid is required.
 - (a) (i) Road work :
 - (ii) Water Supply:
 - (iii) Drainage etc:
 - (iv) Local development works:
 - (v) Building works:
 - (vi) Others(Specify):
- (b) Establishment expenditure including office expenses and other expenditure.
 - i. Salary of the Officers & Staff:
 - ii. Office expenses:
 - iii. Others (Specify):
3. Amount of grant-in-aid applied for :
4. Total estimated cost of the work/scheme :
5. Please state whether AA & ES on preliminary estimate has been obtained:
6. If so, state whether a copy of the resolution of the Zilla Parishad/Panchayat Samiti/Gram Sabha is attached with the application :
7. Please state whether technical approval for the detailed plan and estimate of the work has been obtained:
8. Please state whether the action plan as required in the Form E has been attached with the application. If so, whether duly approved plan and estimate of the works are enclosed herewith;
9. Please state whether the work is to be executed by the PRIs through their own agencies or through approved contractors of APWD or through the Departments of the Administration.
10. The period within which the work is to be completed and when it is proposed to complete the work by different stages, the amount of each instalment:
11. Please state whether the works for which assistance is sought for could be undertaken from Zilla Parishad/Panchayat Samiti/Gram Panchayat Funds; if so, to what extent:
12. Outstanding liability:
13. Any other relevant information :

Certified that the Zilla Parishad/Panchayat Samiti/Gram Panchayat by way of resolution No. dated have agreed to abide by all the condition laid down in the rules and instructions issued from time to time by the Government of India and Andaman and Nicobar Administration. It is also certified that the Utilisation Certificate in respect of earlier grant-in-aid received has already has been submitted.

**Signature of the
Pradhan/Pramukh/Adhyaksh**

**Signature of the Panchayat
Secretary/EO/CEO**

Name:

Name:

Address:

Address:

***Score out which is not applicable.**

Date :

Place :

FORM – B
[See Rule 5(b)]

APPLICATION FOR MATCHING GRANT

1. Name of the PRI :
2. Opening Balance of the matching grant
during the previous year :
3. Matching grant received during the
previous year (20__-20__) :
4. Total :
5. Amount spent during the previous year :
6. Closing balance at the end of previous year :
7. Purpose for which the grant was utilized :
8. Revenue collected during the previous year :
9. Amount or matching grant applied for
10. Whether account of Panchayat for the
previous year has been audited and if audited,
whether an extract of audit report has been
enclosed. :
11. Any other relevant information :

Seal of the PRI

**Signature of the
Pradhan/Pramukh/Adhyaksh**

**Signature of the Panchayat Secretary/
EO/CEO**

Name:

Name:

Address:

Address:

FORM – C

[See Rule 10 (b)]

**ANDAMAN AND NICOBAR ADMINISTRATION
PANCHAYATI RAJ INSTITUTIONS**

Name of the Gram Panchayat/Panchayat Samiti/Zilla Parishad:

Completion Certificate No...... **Date:**

Certified that the work (Name of the work)
for which (Name of Gram Panchayat/Panchayat Samiti/Zilla Parishad)
received Grant- in – aid amounting to Rupees during the year..... in
the sector

- 1) The cost of Administrative Approval and Expenditure Sanction for the abovesaid work is Rupees and a sum of Rupees has been spent during the current financial year i.e.

And the work completed up to (indicate %age of the progress on the work) and the overall expenditure as on date is Rupees

- 2) The above work completed on (date). The cost of the work after completion is Rupees and respective revised estimate has been prepared/under preparation.

(While issuing the certificate the amount spent on this work during the previous year(s) has to be taken into account from the relevant records).

(Name)
Pradhan/Pramukh/Adhyaksh
(Signature with seal)

(Name)
PS/EO/CEO
(Signature with seal)

COMPLETION/ STABILITY CERTIFICATE

This is to certify that the above work is carried out and completed as per the CPWD specifications and it is technically stable and the asset created is sound.

(Name)
Junior Engineer

(Name)
Assistant Engineer

(Name)
Executive Engineer

(Signature with seal and date)

Note: -

In case the work is carried out by Line Departments, the Technical/Executing Authority of the concerned Department shall sign.

[See Rule 8(d)]

UTILIZATION CERTIFICATE FOR THE YEAR.....

1. Name of the Scheme
2. Whether recurring or non-recurring grants
3. Grants position at the beginning of the Financial Year:
 - (i) Cash in Hand/ Bank
 - (ii) Unadjusted advances
 - (iii) Total
4. Details of grants received, expenditure incurred and closing balances:

[illegible]

5. Component-wise utilization of grants:

Grant-in-aid- General	Grant-in-aid- Salary	Grant-in-aid- creation of capital assets	Total [figures as at column of table above]

6. Details of grants position at the end of the year

(i) Cash in Hand/ Book

(ii) Unadjusted advances

(iii) Total

Certified that I have satisfied myself that the conditions on which grants were sanctioned have been fully fulfilled/ are being fulfilled and that I have exercised following checks to see that the money has been actually utilized for the purpose for which it was sanctioned:-

- (i) The main accounts and other subsidiary accounts and registers (including assets registers) are maintained as prescribed in the relevant Act/Rules/Standing instructions (mention the Act/Rules) and have been duly audited by designated auditors. The figures depicted above tally with the audited figures mentioned in financial statement/ accounts.
- (ii) There exist internal controls for safeguarding public funds/assets, watching outcomes and achievements of physical targets against the financial inputs, ensuring quality in asset creation, etc., and the periodic evaluation of internal controls is exercised to ensure their effectiveness.
- (iii) To the best of our knowledge and belief, no transactions have been entered that are in violation of relevant Act/Rules/Standing instructions and scheme guidelines.
- (iv) The responsibilities among the key functionaries for execution of the scheme have been assigned in clear terms and are not general in nature.
- (v) The benefits were extended to the intended beneficiaries and only such areas/ districts were covered where the scheme was intended to operate.
- (vi) The expenditure on various components of the scheme was in the proportion authorized as per the scheme guidelines and terms and conditions of the grants-in-aid.
- (vii) It has been ensured that the physical and financial performance under (Name of the scheme has been according to the requirements, as prescribed in the guidelines issued by Government of

India and the performance/targets achieved statement for the year to which the utilization of the fund resulted in outcomes given at Annexure-I duly enclosed.

- (viii) The utilization of the fund resulted in outcomes given at Annexure- II duly enclosed (to be formulated by the Ministry/Department concerned as per their requirements/specifications).
- (ix) Details of various schemes executed by the agency through grants-in-aid received from the same Ministry or from other Ministries is enclosed at Annexure- II (to be formulated by the Ministry/Department concerned as per their requirements/specifications).

Date:

Place:

Signature

Signature

Signature

Name.....

Name.....

CEO/EO/PS

CAO/ AAO

Adhyaksh/ Pramukh/Pradhan

Explanation:

1. Current Year means the year for which GIA is sought.
2. Financial Year means the previous year i.e. for current year 2024-25, financial year is 2023-24.
3. Upto previous year means Upto the year prior to the financial year i.e. Upto 2022-23 for the current year 2024-25.
4. End of Financial year means 31.03.2024 for the current year 2024-25.

FORM E
[See Rule 5c]
Action Plan to be attached with GIA application

1. Name of the Sector:
2. List of Continuing schemes/works:

Sl.No.	Name of the work	Estimated cost	Expr. already incurred	Balance required	Date of award	Date of completion	Executing agency
1							
2							
3							
4							
5							
	Total						

1. List of new works:-

Sl.No.	Name of the work	Estimated cost	Fund required during the current year	Date of award	Expected date of completion	Executing agency
1						
2						
3						
4						
5						
	Total					

2. Other programmes like salary, honorarium etc:-

Sl.No.	Item	Amount carried forward from previous year	Amount required during the current year	Balance grant required during the current year
1				
2				
3				
4				
5				
	Total			

Signature of the
Pradhan /Pramukh/Adhyaksh

Signature of the
PanchayatSecretary/EO/CEO

Name :

Name :

Address :

Address :

Form-F

[See Rule 5(c)]

**FORMAT FOR CERTIFYING THE FUND AVAILABILITY FOR ACCORDING
ADMINISTRATIVE APPROVAL & EXPENDITURE SANCTION**

FUND AVAILABILITY CERTIFICATE:

Certificate No.....

Date.....

1. Name of the PRI
2. Name of the Sector on which the Proposed work is to be taken up
3. Name of the work as approved in the Annual Action plan
(Copy to be enclosed)
4. Whether the proposed work is covered under respective Schedule of works as specified on the A&N Island Panchayat Regulation 1994 (as amended from time to time)(YES/NO).
5. Amount as per Estimate of work.
6. Balance as per Cash Book of Sector as on date.
7. Less fund earmarked for committed liabilities as on date.
8. Actual fund available as on Date (6-7).
9. Fund being earmarked for this particular work.
10. Fund available after earmarking/blocking fund for this particular work. (8-9)

This is to certify that out of the available balance noted at SL. No. 8 amounting Rs..... an amount of Rs..... is blocked for execution of the proposed work and the same will not be utilised for any other purpose without the approval of the Director RD/Panchayat)

***Note:**

1. The certificate No. and date shall be recorded in the work order and agreement.
2. The certificate is valid only when the proposed work is covered under respective Schedule of works us specified in the A&N Island Panchayat Regulation 1944 (as amended from time to time)

Signature.....

Name:.....

(Chief Executive Officer/ Executive Officer/ Panchayat Secretary)

By order and in the name of the Lt. Governor


Assistant Director (RD/Panchayat)
Directorate of RD, PRIs & ULBs