

**No.A-60011/43/2023-ADR  
Government of India  
Ministry of Law & Justice  
Department of Legal Affairs**

**Date: 19<sup>th</sup> September 2023**

**NOTICE INVITING COMMENTS FROM STAKEHOLDERS**

**Subject: Request for comments from stakeholders on the draft rules under the Mediation Act, 2023 – reg.**

The Mediation Act, 2023 has been assented by the Hon'ble President on 14.9.2023 and the Act has been published vide notification dated 15.9.2023.

2. The objectives of the Act are as follows:

- a) to promote and facilitate mediation, especially institutional mediation, for resolution of disputes, commercial or otherwise;
- b) enforce mediated settlement agreements;
- c) provide for a body for registration of mediators;
- d) to encourage community mediation; and
- e) to make online mediation as acceptable and cost-effective process

3. As a part of consultation process, comments/suggestion are invited from all the stakeholders on various aspects of the following draft Rules under the Mediation Act, 2023:

- (a) [Mediation Council of India \(Salaries, Allowances and other terms and conditions of Members\) Rules, 2023.](#)
- (b) [Mediation Council of India \(Travelling and other Allowances Payable to part-time Members\) Rules, 2023.](#)
- (c) [Mediation Council of India \(Form and Manner of Annual Statement of Accounts\) Rules, 2023.](#)

Concise written suggestions/comments of the stakeholders may be sent on the aforesaid draft Rules to the email id: ndiac-dla@gov.in on or before the close of business on **3<sup>rd</sup> October 2023.**

**ADR Cell**

***Mediation Council of India (Salary, Allowances and other Terms and Conditions of Service of Members) Rules, \_\_\_\_\_***

G.S.R.\_\_\_\_(E).- In exercise of the powers conferred by clause (a) of sub-section (2) of Section 51 read with sub-section (3) of section 32 of the Mediation Act, 2023 ( \_\_\_\_\_ of 2023), the Central Government hereby makes the following rules, namely:-

**1. Short title and commencement.** – (1) These rules may be called the Mediation Council of India (Salary, Allowances and other Terms and Conditions of Service of Members) Rules, 2023.

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

**2. Definitions.-** (1) In these rules, unless the context otherwise requires,-

(a) “Act” means the Mediation Act, 2023 (\_\_\_\_\_ of 2023);

(b) “Council” means the Mediation Council of India established under section 31 of the Act;

(c) “Chairperson” means the person who is appointed as Chairperson on full-time basis under section 32 of the Act;

(d) “Member” for the purpose of these rules, means the person other than the Chairperson who is appointed as member on full-time basis under section 32 of the Act.

(2) The words and expressions used in these rules and not defined, but defined in the Act shall have the meanings respectively assigned to them in the Act.

**3. Terms and conditions of service of Chairperson and Members.-** (1) The Chairperson or the Member appointed on full time basis shall not have any financial or other interests as are likely to affect prejudicially his functions as such Chairperson or Member.

(2) The Chairperson and Member shall not accept any private employment before the expiry of a period of one year from the date of demitting the office in the Council, except with the previous sanction of the Central Government.

**4. Pay.** – (1) The Chairperson shall have an option to receive pay of Rs. 2,25,000 (fixed) (Level-17 of the Pay Matrix) and other allowances and benefits, as are admissible to the Central Government officer holding the post carrying the same pay or in the alternative a consolidated salary of Rs 4,50,000 (Rupees four lacs fifty thousand only) per month.

(2) Every Member shall have an option to receive pay of Rs. 2,05,400- 2,24,400 (Level-16 of the Pay Matrix) and other allowances and benefits, as are admissible to the Central Government officer holding the post carrying the same pay or in the alternative a consolidated salary of Rs 4,25,000 (Rupees four lacs twenty five thousand only) per month.

(3) In case a person appointed as Chairperson or Member is in receipt of any pension, the pay or consolidated salary, as the case may be shall be reduced by the gross amount of pension drawn by him.

**5. Leave.-** The Chairperson and a Member shall be entitled to a leave as follows:-

(1) Earned Leave at the rate of thirty days for every completed calendar year of service:

Provided that the leave account shall be credited with earned leave in advance in two instalments of fifteen days each from the first day of January and first day of July of every calendar year:

Provided further that the earned leave at the credit at the close of previous half year shall be carried forward to the next half year, subject to the condition that the leave so carried forward plus credited for half year do not exceed three hundred days.

(2) Half Pay Leave on medical certificate or on private affairs at the rate of twenty days in respect of each completed year of service to be credited in advance in two instalments of ten days each on first day of January and first day of July of every calendar year and leave salary for half pay leave shall be equivalent to half of the leave salary admissible during he earned leave;

(3) Leave on Half Pay may be commuted to full pay leave at the discretion of the Chairperson or a Member, if it is taken on medical grounds and is supported by a Medical Certificate by a competent medical authority;

(4) Casual Leave at the rate of eight days in a calendar year;

(5) Restricted holidays at the rate of two days in a calendar year availing to their choice;

(6) Extra-ordinary leave without pay and allowances up to a maximum period of one hundred and eighty days in one term of office ; and

(7) Extra-ordinary leave without pay and allowances in a calendar year out of the holidays notified by the Central Government.

**6. Leave sanctioning authority.**-The Chairperson shall be the competent authority to sanction leave to a Member and the Central Government shall be the competent authority to sanction leave to the Chairperson.

**7. Encashment of Leave.**– (1) The payment of leave salary during leave shall be governed by rule 40 of the Central Civil Services (Leave) Rules, 1972.

(2) The Chairperson and a Member shall be entitled to encashment of fifty per cent of earned leave standing to their credit at any time.

**8. Pension** – The Chairperson and Member shall be entitled to subscribe to contributory pension fund as are admissible to Central Government officer holding the post carrying the same pay.

**9. Travelling allowances.** - (1) The Chairperson, while on tour or on transfer (including the journey undertaken to join the Council or on the expiry of his term with the Council proceeds to his home town) shall be entitled to the travelling allowances, daily allowances, transportation of personal effects and other similar matters at the same scale and at the same rate as are prescribed for a Secretary to the Government of India.

(2) A Member while on tour or on transfer (including the journey undertaken to join the Council or on the expiry of his term with the Council proceeds to his home town) shall be entitled to the travelling allowances, daily allowances, transportation of personal effects and other similar matters at the same scale and at the same rates as are prescribed for Group ‘A’ officer of equivalent rank of the Central Government.

**10. Foreign visits.** - The Central Government shall be the sanctioning authority for the foreign visits of the Chairperson and Members.

**11. Leave travel concession.** – (1) The Chairperson shall be entitled to Leave Travel Concession at the same rates and at the same scales as are applicable to a Secretary to the Government of India.

(2) A Member shall be entitled to Leave Travel Concession at the same rates and at the same scales as are applicable to a Group ‘A’ officer of equivalent rank of the Central Government.

(3) Other conditions relating to Leave Travel Concession shall be governed by the rules relating to Group ‘A’ officers of the same rank of the Central Government.

**12. Accommodation.** – (1) The Chairperson and a Member who have opted to receive pay in pay level 17 and 16 respectively, shall be entitled to rent free unfurnished house or house rent allowance at the rate of twenty-seven per-cent of their respective basic pay, as the case may be.

(2) Charges for water, electricity and fuel consumed in the house shall be borne by the occupant of the house.

**13. Conveyance.**— The Chairperson and a Member who have opted to receive pay in pay level 17 and 16 respectively, shall be entitled to a staff car facility for official purpose at the costs to be borne by the Council.

**14. Facility for medical treatment.** - The Chairperson and Member shall be entitled to medical treatment and hospital facilities as are provided in the Central Government Health Scheme to the officers of ‘Group A’ of equivalent rank or where the Scheme is not available, the Chairperson and Member shall be entitled to the medical treatment and hospital facilities under the Central Services (Medical Attendance) Rules, 1944.

**15. Declaration of financial and other interests.** - The Chairperson and Member shall, before entering upon his office, declare his assets and liabilities and financial and other interests in the prescribed forms for Group ‘A’ officers of Central Government.

**16. Residuary Provisions.** – Matters relating to the conditions of service of the Chairperson and a Member with respect to which no express provision has been made in these rules shall be referred in each case, to the Central Government for its decision and the decision of the Central Government thereon shall be final.

**17. Power to relax rules.** – Where the Central Government is of the opinion that it is necessary or expedient so to do, it may, by an order and for the reasons to be recorded in writing, relax any of the provisions of these rules with respect to any class or category of persons.

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***Mediation Council of India (Travelling and other Allowances Payable to part-time Members) Rules, \_\_\_\_\_***

G.S.R. \_\_\_\_\_(E).— In exercise of the powers conferred by clause (b) of sub-section (2) of section 51 read with sub-section (4) of section 32 of the Mediation Act, 2023 (\_\_\_\_\_ of 2023) the Central Government hereby makes the following rules, namely:-

**1. Short title and commencement.**—(1) These rules may be called the Mediation Council of India (Travelling and other Allowances Payable to part-time Members) Rules, 2023.

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

**2. Definitions.**—(1) In these rules unless the context otherwise requires, -

(a) “Act” means the Mediation Act, 2023 (\_\_\_\_\_ of 2023);

(b) “Council” means the Mediation Council of India established under section 31 of the Act;

(c) “Part-time Chairperson” means a Chairperson of the Council appointed on part time basis as provided under second proviso to clause (2) of section 32 of the Act;

(c) “Part-time Member” means a Member of the Council appointed on part time basis as provided under second proviso to clause (2) of under section 32 of the Act.

(2) All other words and expressions used in these rules and not defined but defined in the Act shall have the same meanings respectively assigned to them in the Act.

**3. Monthly allowance.**—(1) A Part-time Chairperson and a Part-time Member shall be entitled to receive a consolidated sum of sixty thousand rupees per month and fifty thousand rupees respectively, as allowance.

**4. Travelling allowance.**—(1) A Part-time Chairperson and a Part-time Member while on tour (including the journey undertaken to attend a meeting of the Council) shall also be entitled to travelling allowance and daily allowances at the same rates and scale as are applicable to officers of the Central Government drawing pay in Level 17 and Level 16 of pay matrix respectively.

(2) The official visits abroad by a Part-time Chairperson and Part-time Member shall be governed by the same provisions as are applicable to a Full-time Chairperson and Full time Member of the Council.

**5. Residuary matters.**—Residuary matters relating to Part-time Chairperson and Part-time Members, with respect to travelling and other allowance for which no express provision has been made in these rules, shall be referred by the Council to the Central Government for decision.

**6. Power to relax.**—Where the Central Government is of the opinion that it is necessary or expedient so to do, it may by an order for the reasons to be recorded in writing, relax any of the provisions of these rules with respect to any class or category of persons.

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***Mediation Council of India (Form and Manner of Annual Statement of Accounts) Rules, \_\_\_\_\_***

G.S.R. XXX(X).—In exercise of the powers conferred by clause (c) of sub-section (2) of section 51 read with sub-section (1) of section 46 of the Mediation Act, 2023 ( \_\_\_of 2023), the Central Government hereby makes the following rules, namely

**1. Short title and commencement.** – (1) These rules may be called the Mediation Council of India (Form and Manner of Annual Statement of Accounts) Rules, \_\_\_\_\_.

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

**2. Definitions-** (1) In these rules, unless the context otherwise requires-

(a) “Act” means the Mediation Act, 2023;

(b) “Council” means the Mediation Council of India established under sub-section (1) of section 31 of the Act;

(c) “Fund” means the Fund of the Council to be maintained under section 45 of the Act;

(d) “Members” means members of the Council under section 32 of the Act;

(e) “Schedule” means the Schedule annexed to these rules;

(f) “Year” means a financial year beginning on 1st day of April and ending on 31st day of March of the immediately following year.

(2) The words and expressions used in these rules and not defined, but defined in the Act shall have the meanings respectively assigned to them in the Act.

**3. Maintenance of accounts and records-** The Council shall maintain its accounts and prepare its annual statement of accounts, balance sheet, receipt and payment account and income and expenditure statement in the Forms of financial statements as specified in Forms A, B and C and Schedules I to XXIII annexed to these rules.

**4. Incurring of Expenditure by the Council-** The Council shall follow the provisions of General Financial Rules, 2017 while incurring or authorising any expenditure.

**5. Preparation and submission of annual statement of accounts of the Council.-** (1) At the end of every financial year, the Council shall prepare its annual statement of accounts,



balance sheet, receipt and payment account and income and expenditure statement in Forms A, B and C and the Schedules I to XXIII annexed to these rules.

(2) The annual statement of accounts balance sheet, receipt and payment account and income and expenditure statement of the Council along with the Schedules I to XXIII shall be authenticated by the Chief Executive Officer of the Council or the Chairperson of an Audit Committee constituted with the approval of Chairperson of the Council for this purpose.

(3) The Accounts statements shall then be approved by the Chairperson of the Council and forwarded to the Comptroller and Auditor General of India, for the purposes of audit, within three months of the end of the financial year.

(4) The duly audited annual statement of accounts and balance sheet of the Council as certified by the Comptroller and Auditor General of India along with the audit report thereon for every financial year shall be forwarded by the Council to the Central Government for laying before both the Houses of Parliament.

**Form – ‘A’****FINANCIAL STATEMENT**

[see sub rule (1) of rule 5]

**Mediation Council of India**

Balance Sheet as at \_\_\_\_\_

(Amount in Rs.)

<b>Sl. No.</b>	<b>CORPUS/CAPITAL LIABILITIES</b>	<b>FUND</b>	<b>AND</b>	<b>Schedule</b>	<b>Current Year</b>	<b>Previous Year</b>
(1)	(2)			(3)	(4)	(5)
1.	Corpus/Capital Fund			I		
2.	Reserves and Surplus			II		
3.	Earmarked/Endowment Funds			III		
4.	Secured Loans and Borrowings			IV		
5.	Unsecured Loans and Borrowings			V		
6.	Deferred Credit Liabilities			VI		
7.	Current Liabilities and Provisions			VII		
8.	<b>TOTAL</b>					
9.	<b>ASSETS</b>					
10.	Fixed Assets			VIII		
11.	Investments - From Earmarked/Endowment Funds			IX		
12.	Investments - Others			X		
13.	Current Assets, Loans and Advances			XI		
14.	Miscellaneous Expenditure (to the extent not written of or adjusted)					
15.	<b>TOTAL</b>					
16.	Significant Accounting Policies			XXII		
17.	Contingent Liabilities and Notes on Accounts			XXIII		

Mediation Council of India

Chief Executive Officer, MCI
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Chairperson Audit Committee, MCI
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Chairperson, MCI
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**Place: New Delhi****Date:**

**Form 'B'****INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD/ YEAR ENDED**

[see sub-rule (1) of rule 5]

<b>Sl. No.</b>	<b>INCOME</b>	<b>Schedule</b>	<b>Current Year</b>	<b>Previous Year</b>
(1)	(2)	(3)	(4)	(5)
1.	Grants/Subsidies	XII		
2.	Fees/Subscriptions	XIII		
3.	Income from Investments (Income on investment, from earmarked/endowment funds transferred to funds)	XIV		
4.	Income from Royalty, Publications etc.	XV		
5.	Interest Earned	XVI		
6.	Other Income	XVII		
7.	Total (A)			
8.	<b>EXPENDITURE</b>	<b>Schedule</b>	<b>Current Year</b>	<b>Previous Year</b>
9.	Establishment Expenses	XVIII		
10.	Other Administrative Expenses etc.	XIX		
11.	Expenditure on Grants, subsidies etc.	XX		
12.	Interest	XXI		
13.	Depreciation (Net Total at the year end corresponding to Schedule VIII)	XXII		
14.	Total (B)			
15.	Balance being excess of Income over Expenditure (A-B) Transfer to Special Reserve (Specify each) Transfer to/from General Reserve			
16.	Balance Being Surplus (Deficit) Carried to Corpus/Capital Fund			
17.	Significant Accounting Policies	XXII		
18.	Contingent Liabilities and Notes on Accounts	XXIII		

**Mediation Council of India**

Chief Executive Officer, MCI
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Chairperson Audit Committee, MCI
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Chairperson, MCI
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**Place: New Delhi****Date:**

**Form 'C'****RECEIPT AND PAYMENT ACCOUNTS FOR THE PERIOD/ YEAR ENDED**

[see sub-rule (1) of rule 5]

**(Amount in Rs.)**

<b>Sl. No.</b>	<b>RECEIPTS</b>	<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>	<b>PAYMENTS</b>	<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	I. Opening Balances			I. Expenses		
2.	(a) Cash in Hand			a) Establishment expenses		
3.	(b) Bank Balance			b) Administrative Expenses		
4.	(i) In current Accounts					
5.	(ii) In Deposit Accounts					
6.	(iii) Saving Accounts					
7.	II. Grants Received			II. Payment made against funds for various Projects (Name of the fund or project should be shown along with the particulars of payment made for each project)		
8.	(a) From Government of India					
9.	(b) From Other Sources (Details) (Grants for Capital and Revenue Expenditure to be shown separately)					
10.	III. Income on Investment from			III. Investments and Deposits Made		
11.	(a) Earmarked / Endowment funds			a) Out of Earmarked /Endowment funds		
12.	(b) Own funds (Investment - others)			b) Out of own funds (Investment - others)		
(1)	(2)	(3)	(4)	(5)	(6)	(7)
13.	IV. Interest Received			IV. Expenditure on Fixed Assets & Capital Work-in-Progress		

14.	(i) On Bank Deposits			a) Purchase of fixed Assets		
15.	(ii) Loans, advances etc.			b) Expenditure on Capital Work-in-progress		
16.	V. Other Income (Specify)			V. Refund of surplus money/loans		
				a) To the Government of India		
				b) To other providers of funds		
17.	VI. Amount Borrowed			VI. Finance Charges (Interest)		
18.	VII. Any other receipts (give details)			VII. Other Payments (Specify)		
				VIII. Closing Balances		
				a) Cash in Hand		
				b) Bank Balances		
				(i) In current Accounts		
				(ii) In Deposit Accounts		
				(iii) Savings Accounts		
<b>19.</b>	<b>TOTAL</b>			<b>TOTAL</b>		

**Mediation Council of India**

Chief Executive  
Officer, MCI

Chairperson Audit  
Committee, MCI

Chairperson, MCI

**Place: New Delhi**

**Date:**

**SCHEDULE - I**

[see sub rule (1) of rule 5]

**CORPUS/CAPITAL FUND****(Amount in Rs.)**

<b>Sl. No.</b>		<b>Current Year</b>		<b>Previous Year</b>	
(1)	(2)	(3)		(4)	
1.	Balance as at the beginning of the year				
2.	Add: Contributions towards fund				
3.	Add/(Deduct): Balance of net income/ (expenditure) transferred from the Income and Expenditure Account				
4.	<b>BALANCE AS AT THE YEAR –END</b>				

**SCHEDULE – II**

[see sub rule (1) of rule 5]

**RESERVES AND SURPLUS****(Amount in Rs.)**

<b>Sl. No.</b>		<b>Current Year</b>		<b>Previous Year</b>	
(1)	(2)	(3)		(4)	
1.	1.Capital Reserve As per last Account Addition during the year Less: Deductions during the year				
2.	2.Revaluation Reserve As per last Account Addition during the year Less: Deductions during the year				
3.	3.Special Reserves As per last Account Addition during the year Less: Deductions during the year				
4.	4.General Reserve As per last Account Addition during the year Less: Deductions during the year				
5.	<b>TOTAL</b>				

**SCHEDULE – III**

[see sub rule (1) of rule 5]

**EARMARKED/ENDOWMENT FUNDS**

Sl. No.		Fund Wise Break up				Totals	
		Fund WW	Fund XX	Fund YY	Fund ZZ	Current Year	Previous Year
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	(a) Opening balance of the funds						
	(b) Additions to the Funds:						
	(i) Donations/grants						
	(ii) Income from investments made on account of funds						
	(iii) Other additions (specify nature)						
2.	Total (a + b)						
3.	(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						
4.	Total (c)						
5.	NET BALANCE AS AT THE YEAR END (a + b - c)						

1. Disclosures shall be made under relevant heads based on conditions attaching to the grants.
2. Plan Funds received from the Central Government are to be shown as separate Funds and not to be mixed up with any other funds.

**SCHEDULE – IV**

[see sub-rule (1) of rule 5]

**SECURED LOANS AND BORROWINGS**

(Amount in Rs.)

<b>Sl. No.</b>		<b>Current Year</b>		<b>Previous Year</b>	
(1)	(2)	(3)		(4)	
1.	1. Central Government				
2.	2. Financial Institutions				
3.	(a) Terms Loans				
4.	(b) Interest accrued and due				
5.	3. Banks				
6.	(a) Term Loans Interest accrued				
7.	(b) Term Loans Interest due				
8.	(c) Other Loans (specify) – Interest accrued				
9.	(d) Other Loans (specify) – Interest due				
10.	4. Other Institutions and Agencies				
11.	5. Debentures and bonds				
12.	6. Others (Specify)				
13.	<b>TOTAL</b>				
	Note: Amounts due within one year				

**SCHEDULE – V**

[see sub-rule (1) of rule 5]

**UNSECURED LOANS AND BORROWINGS**

(Amount in Rs.)

<b>Sl. No.</b>		<b>Current Year</b>		<b>Previous Year</b>	
(1)	(2)	(3)		(4)	
1.	Central Government				
2.	Financial Institutions				
3.	Banks				
	(a) Term Loans				
	(b) Other Loans (specify)				
4.	Other Institutions and Agencies				
5.	Debentures and bonds				
6.	Fixed Deposits				
7.	Others (Specify)				
8.	<b>TOTAL</b>				
	Note: Amounts due within one year				





**SCHEDULE – VI**

[see sub-rule (1) of rule 5]

**DEFERRED CREDIT LIABILITIES****(Amount in Rs.)**

<b>Sl. No.</b>		<b>Current Year</b>	<b>Previous Year</b>
(1)	(2)	(3)	(4)
1.	Acceptances secured by hypothecation of capital equipment and other assets		
2.	Others		
3.	<b>TOTAL</b>		
	Note: Amounts due within one year		

**SCHEDULE – VII**

[see sub-rule (1) of rule 5]

**CURRENT LIABILITIES AND PROVISIONS****(Amount in Rs.)**

<b>Sl. No.</b>		<b>Current Year</b>	<b>Previous Year</b>
(1)	(2)	(3)	(4)
1.	<b>A. CURRENT LIABILITIES</b>		
2.	Acceptances		
3.	Sundry creditors:-		
	(a). For Goods		
	(b). Others		
4.	Advances Received		
5.	Interest accrued but not due on:		
	(a) Secured Loans/borrowings		
	(b) Unsecured Loans/borrowings		
6.	Statutory Liabilities:		
	(a) Overdue		
	(b) Others		
7.	Other Current Liabilities		
8.	<b>TOTAL (A)</b>		
9.	<b>B. PROVISIONS</b>		
10.	For Taxation		
11.	Gratuity		
12.	Superannuation/Pension		
13.	Accumulated Leave Encashment		
14.	Trade Warranties/Claims		
15.	Others (Specify)		
16.	<b>TOTAL (B)</b>		
17.	<b>TOTAL (A +B)</b>		

**Cost of assets on hire purchase basis included above**

**SCHEDULE – VIII**

[see sub-rule (1) of rule 5)

**FIXED ASSETS**

(Amount in Rs.)

Sl. No.	Description	GROSS BLOCK				DEPRECIATION FOR THE YEAR				NET BLOCK	
		Cost at the beginning of the year	Additions during the year	Deductions / adjustments during the year	Cost at the year end	As at the beginning of the year	During the year	Deductions/ adjustments during the year	Total up to the year end	As at the current year end	As at the previous year end
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1.	A. fixed Assets										
2.	Land										
3.	(a) Freehold										
	(b) Leasehold										
4.	Buildings										
5.	(a) On Freehold Land										
	(b) On Leasehold Land										
	(c) Ownership Flat/ Premises										
	(d)										

	Superstructures on Land not belonging to the entity										
6.	Plant Machinery & Equipment										
7.	Vehicles										
8.	Furniture & Fixture										
9.	Office Equipment										
10.	Computers/ Peripherals										
11.	Electrical Installations										
12.	Library Books										
13.	Tube wells & Water Supply										
14.	Other Fixed Assets										
15.	Total of Current year										
16.	Total of previous year										
17.	B. Capital work in progress										
18.	TOTAL										

Note: To be given as to cost of assets on hire purchase basis included above

**SCHEDULE – IX**

[See sub-rule (1) of rule 5]

**INVESTMENTS FROM EARMARKED/ENDOWMENT FUNDS**

(Amount in Rs.)

<b>Sl. No.</b>		<b>Current Year</b>	<b>Previous Year</b>
(1)	(2)	(3)	(4)
1.	In Government Securities		
2.	Other approved Securities		
3.	Shares		
4.	Debentures and Bonds		
5.	Subsidiaries and Joint Ventures		
6.	Others (to be specified)		
7.	<b>TOTAL</b>		

**SCHEDULE – X**

[See sub-rule (1) of rule 5]

**INVESTMENTS – OTHERS**

(Amount in Rs.)

<b>Sl. No.</b>		<b>Current Year</b>	<b>Previous Year</b>
(1)	(2)	(3)	(4)
1.	In Government Securities		
2.	Other approved Securities		
3.	Shares		
4.	Debentures and Bonds		
5.	Subsidiaries and Joint Ventures		
6.	Others (to be specified)		
7.	<b>TOTAL</b>		

**SCHEDULE – XI**

[See sub-rule (1) of rule 5]

**CURRENT ASSETS, LOANS, ADVANCES ETC.**

(Amount in Rs.)

<b>Sl. NO.</b>		<b>Current Year</b>		<b>Previous Year</b>	
(1)	(2)	(3)		(4)	
	<b>CURRENT ASSETS, LOANS, ADVANCES ETC.</b>				
<b>A</b>	<b>Current Assets:</b>				
1	Debts:				
	(a) Debts Outstanding for a period exceeding six months				
	(b) Others				
2.	Cash balances in hand (including cheques/ drafts and imprest)				
3.	Bank Balances:				
	(a) With Scheduled Banks:				
	(i) In current accounts				
	(ii) In deposit accounts				
	(iii) In savings accounts				
	(b) With Non-Scheduled Banks:				
	(i) In current accounts				
	(ii) In deposit accounts				
	(iii) In savings accounts				
4.	Post Office - Savings Accounts				
5.	<b>TOTAL (A)</b>				
<b>B</b>	<b>LOANS, ADVANCES AND OTHER ASSETS</b>				
6.	<b>Loans to:</b>				
	(a) Staff				
	(b) Other Entities engaged in activities/ objectives similar to that of the entity				
	(c) Other (specify)				
7.	<b>Advances and other amount recoverable in cash or in kind or for value to be received:</b>				
	(a) On capital account				
	(b) Prepayments				
	(c) Others				
8.	<b>Income Accrued</b>				
	(a) On investments from Earmarked/ Endowment fund				
	(b) On investment - others				

	(c) On loans and advances				
9.	Others (includes income due unrealized Rs. ....)				
10.	<b>Inventories</b> (may include Stationery, Stores etc.)				
11.	<b>Claims Receivable</b>				
12.	<b>TOTAL (B)</b>				
13.	<b>TOTAL (A+ B)</b>				

**SCHEDULE – XII**

[See sub-rule (1) of rule 5]

**GRANTS/SUBSIDIES****(Irrevocable Grants & Subsidies Received)****(Amount in Rs.)**

<b>Sl. No.</b>		<b>Current Year</b>	<b>Previous Year</b>
(1)	(2)	(3)	(4)
1.	Central Government		
2.	Government Agencies		
3.	Institutions/ Welfare Bodies		
4.	International Organisations		
5.	Others (Specify)		
6.	<b>TOTAL</b>		

**SCHEDULE – XIII****(See sub-rule(1) of rule 5)****FEES / SUBSCRIPTIONS****(Amount in Rs.)**

<b>Sl. No.</b>		<b>Current Year</b>	<b>Previous Year</b>
(1)	(2)	(3)	(4)
1.	Entrance Fees		
2.	Filing Fees		
3.	Seminar/ Program Fees		
4.	Consultancy Fees		

5.	Others (Specify)		
6.	<b>TOTAL</b>		
<b>Note - Accounting Policies towards each item are to be disclosed</b>			

**SCHEDULE – XIV**

[See sub-rule (1) of rule 5]

**INCOME FROM INVESTMENTS**

(Income on Invest. From Earmarked/ Endowment Funds transferred to Funds)

(Amount in Rs.)

Sl. No.		Investment from Earmarked Fund		Investment - Others	
		Current Year	Previous Year	Current Year	Previous Year
(1)	(2)	(3)	(4)	(5)	(6)
1.	Interest				
	a) On Government Securities				
	b) Other Bonds/ Debentures				
2.	2. Dividends				
	a) On Shares				
	b) On Mutual Fund Securities				
3.	Rents				
4.	Others (Specify)				
5.	<b>TOTAL</b>				

**SCHEDULE XV**

[See sub-rule (1) of rule 5]

**INCOME FROM ROYALTY, PUBLICATION ETC.**

(Amount in Rs.)

Sl. NO.		Current Year	Previous Year
(1)	(2)	(3)	(4)
1.	Income from Royalty		
2.	Income from Publications		
3.	Others (Specify)		
4.	<b>TOTAL</b>		



**SCHEDULE XVI**

[See sub-rule (1) of rule 5]

**INTEREST EARNED**

(Amount in Rs.)

<b>Sl. No.</b>		<b>Current Year</b>	<b>Previous Year</b>
(1)	(2)	(3)	(4)
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		
5.	<b>TOTAL</b>		
	<b>Note - Tax deducted at source to be indicated</b>		

**SCHEDULE – XVII**

[See sub-rule (1) of rule 5]

**OTHER INCOME**

(Amount in Rs.)

<b>Sl. No.</b>		<b>Current Year</b>	<b>Previous Year</b>
(1)	(2)	(3)	(4)
1.	Profit on Sale/disposal of Assets		
	(a) Owned Assets		
	(b) Assets acquired out of grants, or received free of cost		
2.	Fees for Miscellaneous Services		
3.	Miscellaneous Income		
4.	<b>TOTAL</b>		

**SCHEDULE XVIII**

[See sub-rule (1) of rule 5]

**ESTABLISHMENT EXPENSES**

(Amount in Rs.)

<b>Sl. No.</b>		<b>Current Year</b>	<b>Previous Year</b>
(1)	(2)	(3)	(4)
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>		

**SCHEDULE XIX**

[See sub-rule (1) of rule 5]

**OTHER ADMINISTRATIVE EXPENSES**

(Amount in Rs.)

<b>Sl. No.</b>		<b>Current Year</b>	<b>Previous Year</b>
(1)	(2)	(3)	(4)
(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)	Rent, Rates and Taxes		
(i)	Vehicles Running, Maintenance or Hiring charges		
(j)	Postage, Telephone and Communication charges		
(k)	Printing and Stationery		
(l)	Travelling and Conveyance Expenses		
(m)	Expenses on Seminar/ Workshops		

(n)	Subscription Expenses		
(o)	Expenses of fee		
(p)	Auditors Remuneration/ Legal fee		
(q)	Hospitality Expenses		
(r)	Professional Charges		
(s)	Provision for Bad and Doubtful Debts/ Advances		
(t)	Irrecoverable Balances written -off		
(u)	Packing Charges		
(v)	Freight and Forwarding Expenses		
(w)	Distribution Expenses		
(x)	Advertisement and Publicity		
(y)	Others (to be specified)		
	<b>TOTAL</b>		

**SCHEDULE XX**

[See sub-rule (1) of rule 5]

**EXPENDITURE ON GRANTS, SUBSIDIES ETC.****(Amount in Rs.)**

<b>Sl. No.</b>		<b>Current Year</b>	<b>Previous Year</b>
(1)	(2)	(3)	(4)
(a)	Grants given to Institutions/ Organisations		
(b)	Subsidies given to Institutions/ Organisations		
	<b>TOTAL</b>		

Note: Name of the Entities, their Activities along with the amount of Grants/ subsidies are to be disclosed.

**SCHEDULE XXI**

[See sub-rule (1) of rule 5]

**INTEREST****(Amount in Rs.)**

<b>Sl. No.</b>		<b>Current Year</b>	<b>Previous Year</b>
(1)	(2)	(3)	(4)
	(a) On Fixed Loans		

	(b) On Other Loans (including Bank Charges)		
	(c) Others (specify)		
	<b>TOTAL</b>		

## **SCHEDULE – XXII**

[See sub-rule (1) of rule 5]

### **SIGNIFICANT ACCOUNTING POLICIES (Illustrative)**

#### **1. ACCOUNTING CONVENTION**

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

#### **2. INVESTMENTS**

2.1 Investments classified as "long term investments" are carried at cost. Provision for decline, other than temporary, is made in carrying cost of such investments.

2.2 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.

2.3 Cost includes acquisition expenses like brokerage, transfer stamps.

#### **3. FIXED ASSETS**

3.1 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.

3.2 Fixed Assets received by way of non-monetary grants, (other than towards the Corpus Fund), are capitalized at values stated, by corresponding credit to Capital Reserve.

#### **4. DEPRECIATION**

4.1 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.

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

4.3 Assets consisting Rs. 5,000 or less each are fully provided.

#### **5. MISCELLANEOUS EXPENDITURE**

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

## **6. ACCOUNTING FOR SALES**

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

## **7. GOVERNMENT GRANTS/SUBSIDIES**

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

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

7.3 Government grants/subsidy are accounted on realization basis.

## **8. FOREIGN CURRENCY TRANSACTIONS**

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

8.2 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 related to fixed assets, and in other cases is considered to revenue.

## **9. LEASE**

Lease rentals are expensed with reference to lease terms.

## **10. RETIREMENT BENEFITS**

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

10.2 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.

## **SCHEDULE – XXIII**

[See sub-rule (1) of rule 5]

### **CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS (Illustrative)**

#### **1. CONTINGENT LIABILITIES**

1.1 Claims against the Entity not acknowledged as debts - Rs. \_\_\_\_\_ (Previous year Rs. \_\_\_\_\_)

1.2 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.\_\_\_\_\_).

1.3 Disputed demands in respect of:

Income-tax Rs. \_\_\_\_\_(Previous Year Rs. \_\_\_\_\_)

G.S.T. Rs. \_\_\_\_\_(Previous Year Rs.\_\_\_\_\_)

Municipal Taxes Rs. \_\_\_\_\_(Previous Year Rs.\_\_\_\_\_)

1.4 In respect of claims 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 realization 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**

6.1 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

6.2 Expenditure in foreign currency:

- Travel
- Remittances and Interest payment to Financial Institutions/ Banks in Foreign Currency
- Other Expenditure:

- Commission on Sales
- Legal and Professional Expenses
- Miscellaneous Expenses

6.3 Earnings:

6.4 Remuneration to auditors: As auditors:

- Taxation matters
- For management services
- For certification
- Others

7. Corresponding figures for the previous year have to be regrouped/ rearranged, wherever necessary.

8. Schedules I to XXXIII 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.