

No. EDN (SE)-H (10) F (9) Funds/2025

Directorate of School Education,
Himachal Pradesh, Shimla-1

Dated Shimla-171001 the April, 2026

To

All the Deputy Directors (Elementary/Secondary)
In Himachal Pradesh

Subject: - Instruction regarding use/transfer of unspent funds of de-notified/merged school.

Sir/Madam,

It has been observed that queries are being received from various districts regarding the use and transfer of unspent funds lying in bank accounts of de-notified/merged schools. In this regard, it is informed that as per Government instructions issued vide letter No. Shiksha-II-Chha(5)-2/2012 dated 15-12-2025. (Copy enclosed) Unspent/ accumulated funds can be used for student welfare and development of school facilities. These funds can be used for other school within the same School Complex/Cluster. Accordingly all heads of complex schools in your respective districts may be directed that:-

1. *In case of de-notified/merged schools, all unspent funds lying in their bank accounts may be transferred to the account of the concerned cluster/complex school.*
2. *The transferred funds should be used only for student welfare activities and improvement of school facilities within the same cluster/Complex.*
3. *All expenditure must be made as per rules, especially the provisions of Himachal Pradesh Secondary Education Code, 2012/HPFR-2009 and other Government instruction.*
4. *Proper accounts and records must be maintained and should be available for audit/inspection.*
5. *It must be ensured that no funds remain unused without valid reason and are utilized in a timely manner.*

Directorate of School Education
21 APR 2026
Himachal Pradesh, Shimla-171001

Director School Education
Himachal Pradesh
April, 2026

Endst. No. Dated: Shimla the

Copy to:-

1. Nodal Officer, IT Cell is requested to upload the above instructions on the official website of the Department for information and necessary action.
2. Guard File.

Director School Education
Himachal Pradesh

No:Shiksha-II-Chha(5)-2/2012
Government of Himachal Pradesh
Department of School Education

10- [redacted] 4180
7/12/21

Dated Shimla-171002 the 15th December, 2025

From:

The Secretary (Education) to the
Government of HP, Shimla-2

To

✓ The Director of School Education
Himachal Pradesh, Shimla-1

Subject: Instructions Regarding Utilization of Unspent Accumulated and other
School Funds.

Sir.

The subject mentioned above has been engaging the attention of the State Government for some time. It has been brought to the notice that most of the Government Senior Secondary Schools of the State there are unspent funds which have been contributed by Students as Amalgamated Funds and other School Funds. These are lying unspent in various bank accounts. Generally the funds collected from the students are meant to be spent on student welfare activities, and for up-grading facilities in the school during their stay in the school. However, due to non-utilization/underutilization, these funds have accumulated over the past many years. Several queries have been received from the Schools regarding utilization of these funds for creating various facilities for the welfare of students not only in the schools where the funds are lying unutilized but also in other schools which fall within the Complex/Cluster of the concerned Senior Secondary School.



mt. Laxmi (P)

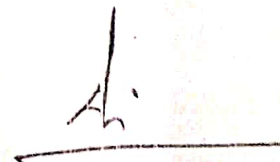
21/11/21
[redacted] (A)

The issue has been examined at the Government Level and it has been decided to issue following instructions in continuation of *Para 4.6 of The Himachal Pradesh Secondary Education Code, 2012*: -

1. **Inter Fund Re-Appropriation:** Principals/Head Masters/Head Teachers are authorized to use the amount available with the School under various funds by way of re-appropriation from one fund to another to meet out specific requirements, if need be, for the benefit of students. However, this shall be permissible if there is no pending liability under the Fund from which the amount is to be transferred for other purposes. The Principal/Head Master/Head Teacher is authorized to approve re-appropriation after exercising due diligence and he/she can take an informed decision in such matters.
2. **Recurring Expenses:** Under Para 4.6.3 of Education Code regarding utilization of Amalgamated Fund various provisions to meet the expenses on miscellaneous activities/tasks are provided. However, over the years many changes have taken place in School Education System such as Consolidation of Schools, Reorganization of Schools into revised Complexes/Clusters etc. and to execute these initiatives in the field the School has to make various other miscellaneous expenses which are not specifically mentioned under the said Para-4.6.3. Therefore, it has been decided that all School Welfare related activities can be done from these funds including the expenses to be incurred at the time of shifting of school records/school furniture/utensils or any other miscellaneous expenses related to consolidation of schools and other quality interventions. The expenditure to implement School Cluster System effectively in the interest of students can be met from available funds.




3. **Use of funds for the purpose of other Schools within the Complex:** Para 3.4 of School Complex Guidelines issued vide letter dated 23.09.2025 read with the provisions of Convergence and Resources Sharing Guidelines issued vide letter dated 13.02.2024 contains the spirit of Sharing of Resources with other Schools so that the available resources with the Education Department can be fully utilized. Since sharing of funds was not specifically mentioned in the Convergence and Resource Sharing Guidelines dated 13.02.2024, therefore it has been decided that the un-spent funds available with a Complex Govt. Sr. Sec. School can be utilized for the purpose of creating facilities in all other schools falling within the same complex and for student related activities. It is also clarified that this sharing of funds shall not be confined only to the school located within the same premises/at the walking distance but can also be done to improve facilities in the other Cluster Schools falling within the same complex. Therefore, this amount should be used for the overall objective of student welfare within the School Cluster/ Complex.
4. Since several Schools have funds which have accumulated over the years, the Principal/Head Masters/Head Teachers are authorized to spend 85% of the total funds available with them (accumulated over years) in a given financial year. Thereafter, the heads of the institutions will try to spend 85% of the funds contributed by the students within the same financial year so that the students who contributed to these funds get the benefit during their stay in the School. There is no benefit to the students who contribute to these funds if the school doesn't spend these funds within that year.
5. Recently due to the closure and merger of some schools, the furniture and furnishings of such schools have been shifted to the nearby Schools. The Teachers have spent some money (in many cases from their personal funds/from their own pocket) for this shifting. The Principals of the Cluster Schools/

A handwritten signature in black ink, consisting of a stylized 'A' with a horizontal line underneath it.

BEEOs/ CHTS/ Head Teachers are authorized to meet the shifting expenditure from the funds available with them including funds available with them at the Cluster Schools level. Also, it is clarified that the amount spent by the teacher(s) from their own pocket can be reimbursed to the teacher(s) concerned from the funds available at the Cluster School level, if the lower level institution doesn't have funds available with them.


No funds should remain idle without justified reason. All Cluster/School Heads are directed to take immediate action in the matter and ensure that the unutilized funds are utilized effectively for the improvement of school functioning and student learning environment.


(Rakesh Kanwar, IAS)
Secretary (Education) to the
Government of Himachal Pradesh

Endst. No. _____ even the _____ dated ^{15th} December, 2025

Copy forwarded for information and necessary action to: -

1. The State Project Director (SS), Himachal Pradesh, Shimla-1 for information.
2. All the Deputy Directors of School Education (Secondary/Elementary/Quality) in Himachal Pradesh.
3. All the Principals of Government Senior Secondary Schools in Himachal Pradesh.
4. All the Headmasters of Government High Schools in Himachal Pradesh.
5. All the Block Elementary Education Officers in Himachal Pradesh.
6. All the Center Head Teachers in Himachal Pradesh.


(Rakesh Kanwar)
Secretary (Education) to the
Government of Himachal Pradesh