

**PUBLIC ACCOUNTS COMMITTEE
(1977-78)**

(SIXTH LOK SABHA)

THIRTY-EIGHTH REPORT

**EXCESSES OVER VOTED GRANTS AND CHARGED
APPROPRIATIONS**

[Excess expenditure over Voted Grants and Charged Appropriations disclosed in the Appropriation Accounts for the year 1975-76

AND

Action taken by Government on the Recommendations of the Public Accounts Committee contained in their 227th Report (Fifth Lok Sabha) on Excesses over Voted Grants and Charged Appropriations for the year 1974-75]



Presented in Lok Sabha on

15 NOV 1977

Laid in Rajya Sabha on

15 NOV 1977

**LOK SABHA SECRETARIAT
NEW DELHI**

October, 1977/Asvina, 1899 (S)

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 ACCOUNTS COMMITTEE (SIXTH LOK SABHA)
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*Part II**

Minutes of the sitting of the Public Accounts Committee held on the 15th October, 1977 (AN)

*Not printed. (One cyclostyled copy laid on the Table of the House and five copies placed in Parliament Library).

PUBLIC ACCOUNTS COMMITTEE (1977-78)

CHAIRMAN

Shri C. M. Stephen

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2. Shri Balak Ram
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4. Shri Tulsidas Dasappa
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Rajya Sabha

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20. Shri S. A. Khaja Mohideen
21. Shri Bezawada Papireddi
22. Shri Zawar Hussain

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1. Shri B. K. Mukherjee—*Joint Secretary.*
2. Shri H. G. Paranjpe—*Chief Financial Committee Officer.*
3. Shri T. R. Ghai—*Senior Financial Committee Officer.*

*Ceased to be a Member of the Committee on his appointment as Minister of State with effect from 14-8-1977.

INTRODUCTION

I, the Chairman of the Public Accounts Committee, as authorised by the Committee, do present on their behalf this Thirty-Eighth Report on 'Excesses over Voted Grants/Charged Appropriations' disclosed in the Appropriation Accounts (Civil), (Defence Services), (Railways) and (Posts and Telegraphs) for the year 1975-76 and on the action taken by Government on the recommendations of the Public Accounts Committee contained in their 227th Report (Fifth Lok Sabha) on Excesses over Voted Grants and Charged Appropriations for the year 1974-75.

2. The Appropriation Accounts (Civil), (Railways), (P&T) and (Defence Services) for the year 1975-76 were laid on the Table of the House on 7th April, 1977, 13th June, 1977, 24th June, 1977 and 2nd July, 1977 respectively. The Committee examined the Excesses in the light of the Explanatory Notes furnished by the Ministries/Departments concerned (Appendices I to XXXV) at their sitting held on the 15th October, 1977. The Minutes of the sitting form Part II* of the Report.

3. The Committee's 227th Report (Fifth Lok Sabha) on Excesses over Voted Grants/Charged Appropriations disclosed in the Appropriation Accounts for the year 1974-75 was presented to the House on 31 August, 1976. The Action taken notes furnished by Government pursuant to the recommendations contained in this Report were also considered by the Committee at their sitting held on 15 October, 1977 and have been discussed in Chapter III of the Report.

4. For facility of reference, the conclusions/recommendations of the Committee have been printed in thick type in the body of the Report. For the sake of convenience, the conclusions/recommendations have also been reproduced in a consolidated form, in Appendix XXXVII to the Report.

5. The Committee would like to place on record their appreciation of the assistance rendered to them in this regard by the Comptroller and Auditor General of India.

NEW DELHI:

October 17, 1977.
Asvina 25, 1899(S).

C. M. STEPHEN

Chairman,
Public Accounts Committee.

*Not printed. (One cyclostyled copy laid on the Table of the House and five copies placed in Parliament Library).

CHAPTER I

GENERAL OBSERVATIONS

1.1. This 38th Report of the Committee deals with the Excesses over Voted Grants and Charged Appropriations disclosed in the Appropriation Accounts (Civil), (Defence Services), (Railways) and (Posts and Telegraphs) for the year 1975-76 and the Action Taken by Government pursuant to the Committee's recommendations/ observations contained in their 227th Report (Fifth Lok Sabha) on Excesses over Voted Grants and Charged Appropriations for the year 1974-75.

1.2. The Appropriation Accounts (Civil), (Railways), (P&T) and (Defence Services) for the year 1975-76 were laid on the Table of the House on 7 April, 1977, 13 June, 1977, 24 June, 1977 and 2nd July, 1977 respectively.

1.3. In the succeeding paragraphs of this Report, the Committee have examined the excess expenditure disclosed in the different Appropriation Accounts in the light of explanations furnished by the Ministries/Departments concerned. The explanatory notes furnished in this regard by the Ministries/Departments are reproduced in Appendices I to XXXV of this Report.

1.4. During the year ended 31 March, 1976, excess expenditure occurred under 45 Voted Grants and 7 Charged Appropriations*. Excluding an amount of Rs. 24.45 crores, which does not require regularisation by Parliament being erroneously shown under 'Excess' the excess expenditure during the year aggregated to Rs. 201.47 crores as against Rs. 10.06 crores and Rs. 266.52 crores during the year 1973-74 and 1974-75 respectively.

*Of these, the excess expenditure disclosed under Grants 41 (Revenue Section and 29 and 79 (Capital Section)—(Civil), and partially under Grant No. 39 (Revenue Section (Civil) and Grants 5 to 8 disclosed in the Appropriation Accounts (Railways) does not require regularisation by Parliament, the excesses having been caused by erroneous adjustments/misclassifications etc.

1.5. The following table indicates the aggregate excess expenditure under various Grants and Appropriations during the past decade:

Year	Number of Voted Grants	No. of Charged Appropriations	Total	Excess expenditure Rs in crores
1966-67 . . .	26	5	31	11.60
1967-68 . . .	22	3	25	27.77
1968-69 . . .	25	4	29	3.78
1969-70 . . .	18	5	23	17.10
1970-71 . . .	29	8	37	55.76
1971-72 . . .	29	7	36	223.81
1972-73 . . .	23	7	35	126.33
1973-74 . . .	23	4	27	10.06
1974-75 . . .	27	8	35	266.52*
1975-76 . . .	45	7	52	201.47

*Exclusive of excess expenditure caused by erroneous adjustments in classification, etc.

1.6. The recurring phenomenon of excesses over expenditure authorised by Parliament has been constantly engaging the attention of the Public Accounts Committee who have been emphasising, year after year, the paramount need for a more accurate estimation of monetary requirements and better budgetary control so as to minimise excesses over voted grants and charged appropriations. Commenting on the alarming increase in the excess expenditure during the year 1974-75, when it touched an all time high of Rs. 266.52 crores, the Public Accounts Committee (1976-77) in paragraph 1.13 of their 227th Report (Fifth Lok Sabha) had *inter alia*, observed:—

“That this should be so despite repeated comments by the Committee and numerous instructions issued by the Ministry of Finance and other authorities would suggest that drastic steps are necessary to improve the existing budgetary procedure and practices. Since Parliamentary

control over governmental expenditure calls for financial discipline, the Committee would urge Government once again to investigate in depth the reasons for the recurring failure in this regard and take soon some concrete steps to ensure that the budget estimates are more precisely prepared on a scientific basis and that the actual expenditure approximates, as closely as possible, to the funds authorised by Parliament. In this connection, the Committee would reiterate an earlier recommendation, contained in paragraph 1.6 of their 96th Report (Fifth Lok Sabha), that there should be an in-built system in the various Ministries/Departments which would serve as a self-regulatory apparatus to analyse the reasons for the excesses as soon as they occur and to take timely remedial measures."

1.7. In their Action Taken Note dated 15 February 1977 in respect of the 227th Report of the Committee, the Ministry of Finance (Department of Expenditure) have stated:

"The conclusions/recommendations of the Committee have been noted and communicated to all Ministries/Departments for compliance *vide* Ministry's O.M. No. 12(38)-E(Coord)/76 dated 12.1.77. It is hoped that with the introduction of the scheme of integrated Financial Advisers and Separation of Accounts from Audit, greater post budget vigilance will be exercised by the Ministries for effective control of expenditure."

1.8. The aggregate amount of excess expenditure over Voted Grants and Charged Appropriations during the past decade ranged between Rs. 3.78 crores in 1968-69 to Rs. 266.52 crores in 1974-75. The Committee had only a year ago expressed the view that the extent of deterioration under some of the Grants during 1974-75 cannot be taken lightly and should cause concern to Government. The Committee find that during the year 1975-76 excess expenditure had occurred under 45 Voted Grants and 7 Charged Appropriations which shows that the phenomenon of excess expenditure was more widely spread than in any previous year. The excess during the year is more prominently noticeable in the grants administered by the Ministry of Home Affairs, Ministry of Railways, Ministry of Defence and P&T Board. The Committee would like the Ministries concerned to take appropriate and concrete remedial measures to curb down the tendency of excess expenditure under advice to the Committee.

1.9. The analysis of the reasons for the excess over authorised expenditure during 1974-75 had generally indicated that defective estimation of monetary requirements, lack of proper and timely review of the progress of expenditure, failure to anticipate properly and provide for the receipt of stores and debits relating thereto, inadequate liaison and coordination with the suppliers on the one hand and the Accounts Officers on the other, absence of adequate provision for adjustment of liabilities relating to the previous years and avoidable misclassifications of expenditure had, as in the past, continued to contribute to excesses.

1.10. The Committee find that the reasons for excess over authorised expenditure during the year 1975-76, as analysed and discussed in some details in the succeeding Chapter of this Report are quite similar to those narrated in para 1.13 of their 227th Report (Fifth Lok Sabha). While sharing of the hope expressed by the Ministry on the anticipated improvements as a result of the scheme of separation of accounts from Audit, the Committee would urge that the reasons for the excesses should be analysed as soon as they occur so that timely rectificatory steps could possibly be taken.

CHAPTER II

EXCESS GRANTS/APPROPRIATIONS

2.1 During the year ended 31 March 1976, the actual expenditure exceeded Voted Grants and Charged Appropriations in the following grants :

Sl. No.	No. and Name of Grant	Ministry/Department	Final Grant/ Appropriations (Rs.)	Actual Expenditure (Rs.)	Excess Expenditure (Rs.)	Date of re- ceipt of Expla- natory Note
1	2	3	4	5	6	7

I. APPROPRIATION ACCOUNTS (CIVIL), 1975-76

A. VOTED GRANTS

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(a) *Revenue Section*

1.	1 - Department of Agriculture	Agriculture	1,91,93,000	1,96,60,739	4,67,739	30.5.77
2.	9 - Payments to Indian Council of Agricultural Research	Agricultural Research and Education	39,35,99,000	39,35,99,536	536	7.5.77
3.	34 - Taxes on Income, Estate Duty, Wealth Tax and Gift Tax	Revenue and Banking	42,00,12,000	42,12,80,390	12,68,390	23.5.77
4.	37 - Currency, Coinage and Mint.	Economic Affairs	43,97,85,000	44,13,08,530	15,23,530	13.5.77
5.	38 - Pensions	Economic Affairs	25,60,00,000	26,91,86,429	1,31,86,429	7.5.77
6.	39 - Opium and Alkaloid Factories	Revenue & Banking	20,59,84,000	21,72,83,534	1,12,99,534*	26.5.77

*Out of this excess expenditure, Rs. 81,57,459 does not require regularisation, the excess having been caused by erroneous adjustment of accounts.

1	2	3	4	5	6	7
7.	41 - Other Expenditure of the Ministry of Finance	Economic Affairs	89,25,82,000	50,89,66,851	1,63,84,851@	26.5.77
8.	43 - Ministry of Health and Family Planning	Health & Family Welfare	68,18,000	68,22,079	14,979	31.5.77
9.	46 - Ministry of Home Affairs	Home Affairs	2,70,37,000	2,78,45,667	8,08,667	24.5.77
10.	48 - Department of Personnel & Administrative Reforms	Personnel & Administrative Reforms	7,09,93,000	7,24,68,713	14,75,713	28.5.77
11.	49 - Police	Home Affairs	1,94,27,04,000	2,00,11,04,521	5,84,00,521	30.5.77
12.	52 - Delhi	Home Affairs	1,11,20,37,000	1,12,27,13,567	1,06,76,567	30.5.77
13.	54 - Andaman and Nicobar Islands	Home Affairs	21,05,22,000	22,53,30,096	1,48,08,096	23.5.77
14.	56 - Dadra and Nagar Haveli	Home Affairs	1,47,71,000	1,47,87,909	16,909	23.4.77
15.	57 - Lakshadweep	Home Affairs	2,72,20,000	2,78,33,700	6,13,700	7.5.77
16.	62 - Ministry of Information & Broadcasting	Information and Broadcasting	42,65,000	43,33,326	68,326	18.5.77
17.	66 - Labour and Employment	Labour	38,44,01,000	39,25,53,887	81,52,887	1.6.77
18.	76 - Roads	Shipping and Transport	77,82,54,000	77,85,41,053	2,87,053	27.5.77
19.	81 - Mines and Minerals	Steel & Mines	31,47,93,000	32,73,02,217	1,25,09,217	7.5.77
20.	89 - Ministry of Works & Housing	Works & Housing	₹57,65,000	₹59,92,468	₹2,27,468	21.5.77
21.	92 - Housing and Urban Development	Works & Housing	9,97,48,000	10,11,91,491	₹14,43,491	21.5.77
22.	101 - Survey of India	Science & Technology	17,10,04,000	17,55,46,919	45,42,919	30.5.77

@ The excess expenditure disclosed under this Grant having occurred on account of erroneous adjustments in accounts for 1975-76 does not require any provision in terms of para 7 of 16th Report (Fifth Lok Sabha).

(b) Capital Section

23.	29 - Coal and Lignite	Energy (Coal)	3,02,60,92,000	3,23,10,45,499	20,49,53,499*	7.5.77
24.	44 - Medical and Public Health	Health & Family Welfare	39,37,63,000	45,58,07,562	6,20,44,562	1.6.77
25.	52 - Delhi	Home Affairs	54,19,41,000	61,29,74,475	7,10,33,475	31.5.77
26.	53 - Chandigarh	Home Affairs	4,88,94,000	4,89,37,854	43,854	25.5.77
27.	76 - Roads	Shipping & Transport	70,14,63,000	70,80,95,412	66,32,412	27.5.77
28.	79 - Department of Steel	Steel and Mines	2,85,79,34,000	2,87,11,08,054	1,31,74,054**	7.5.77
29.	96 - Nuclear Power Schemes	Atomic Energy	43,18,69,000	43,48,03,262	29,34,262	1.6.77

B. Charged Appropriations

(a) Revenue Section

30.	40—Interest Payments	Economic Affairs (Budget Division)	1,220,82,16,000	1,228,16,01,152	7,33,85,152	17-5-77
31.	44—Medical & Public Health	Health & Family welfare	1,06,000	1,06,405	405	1-6-77

(b) Capital Section

32.	53—Chandigarh	Home Affairs	6,00,000	15,00,001	9,00,001	25-5-77
33.	77—Ports Light-Houses and Shipping	Shipping & Transport	2,53,72,000	2,58,41,701	4,69,701	18-5-77
34.	90—Public Works	Works & Housing	23,74,000	25,27,446	1,53,446	28-5-77

* The excess expenditure disclosed under this Grant having occurred on account of erroneous omission in the accounts of financial year 1972-73 does not require regularisation in terms of paragraph 4-26 of the 45th Report (1965-66) of the Public Accounts Committee (Third Lok Sabha).

** The excess expenditure disclosed under this Grant having occurred on account of erroneous omission in the accounts of financial year 1973-74 does not require regularisation in terms of paragraph 4-26 of the 45th Report (1965-66) of the Public Accounts Committee (Third Lok Sabha).

Serial No.	No. and Name of Grant	Ministry/Department	Final Grant/ Appropriation Rs.	Actual Expenditure Rs.	Excess Expenditure Rs.	Date of receipt of Explanatory Note
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II. Appropriation Accounts (Defence Services) 1975-76

A. Voted Grants :

35. 19—Army Defence . 16,19,28,23,000 16,80,54,43,550 61,26,20,550 3-8-77

36. 21—Air Force Defence . 4,78,99,36,000 4,86,41,62,534 7,42,26,534 3-8-77

B. Charged Appropriations

37. 20—Navy Defence . 65,000 66,078 1,078 7-7-77

III. Appropriation Accounts (Railways) 1975-76

A. Voted Grants

38. 3—Payment to Worked/Lines & Others . Railways . 25,38,000 27,62,645 2,22,645 16-7-77

39. 5—Revenue—Repairs & Maintenance . Railways . 5,69,71,26,000 5,83,57,62,582 13,86,36,582* 16-7-77

40. 6—Revenue—Working Expenses-Operating (Staff). Railways 3,22,07,76,000 3,23,85,81,248 1,78,05,248@ 16-7-77

41. 7—Revenue-Operation (Fuel) . Railways . 2,62,51,35,000 2,69,06,97,946 6,55,62,546£ 16-7-77

42. 8—Revenue-Operation Other than Staff and Fuel. Railways . 88,36,72,000 97,89,24,809 9,52,52,809§ 16-7-77

*Out of this excess expenditure, an amount of Rs. 5,79,129 does not require regularisation, the excess having been caused by misclassification of expenditure.

@Out of this excess expenditure, an amount of Rs. 6,87,656 does not require regularisation, the excess having been caused by misclassification of expenditure.

£Out of this excess expenditure, an amount of Rs. 3,92,098 does not require regularisation, the excess having been caused by misclassification of expenditure.

§Out of this excess expenditure, an amount of Rs. 2,07,007 does not require regularisation, the excess having been caused by misclassification of expenditure.

Serial No.	No. and Name of Grant	Ministry/Department	Final Grant/	Actual	Excess	Date of receipt of Explanatory Note
			Appropriation	Expenditure	Expenditure	
			Rs.	Rs.	Rs.	
43.	9—Revenue Miscellaneous Expenses . . .	Railways . . .	57,51,25,000	60,60,98,035	3,11,54,112*	16-7-77
44.	10—Revenue-Staff Welfare	Railways	52,58,89,000	53,03,30,345	54,68,576@	16-7-77
45.	13—Revenue-Open Line Works	Railways	7,50,29,000	7,62,00,840	12,02,120£	16-7-77
46.	15—Open Line Works—Capital DRF&DF . . .	Railways	9,85,78,58,000	10,31,35,27,304	46,03,71,860§	16-7-77
47.	16—Pensionary Charges—Pension Fund . . .	Railways	26,08,99,000	30,31,15,919	4,22,16,919	16-7-77
48.	17—Repayment of loan from General Revenues & Interest thereon—Development Fund.	Railways	7,30,63,000	7,33,29,136	2,66,136	16-7-77
49.	21—Appropriation to Accident Compensation, Safety and Passenger Amenities Fund.	Railways	7,76,91,000	7,89,99,214	13,08,214	16-7-77

*An excess expenditure of Rs. 3,09,73,053 had been reflected in the relevant Appropriation Accounts. After taking into account the misclassification between Grants, the real excess to be regularised works out to Rs. 3,11,54,112.

@An excess expenditure of Rs. 44,41,345 had been reflected in the relevant Appropriation Accounts. After taking into account the misclassification between Grants, the real excess to be regularised works out to Rs. 54,68,576.

£An excess expenditure of Rs. 11,71,840 had been reflected in the relevant Appropriation Accounts. After taking into account the misclassification between Grants, the real excess to be regularised works out to Rs. 12,02,120.

§An excess expenditure of Rs. 45,56,69,304 had been reflected in the relevant Appropriation Accounts. After taking into account the misclassification between Grants, the real excess to be regularised works out to Rs. 46,03,71,860.

Serial No.	No. and Name of Grant	Ministry/Department	Final Grant appropriation Rs.	Actual Expenditure Rs.	Excess Expenditure Rs.	Date of receipt of Explanatory Note
		<i>B. Charged Appropriations</i>				
50.	5—Revenue-Repair and Maintenance	Railways	15,00,000	17,56,877	2,56,877	16-7-77
IV. APPROPRIATION ACCOUNTS (POSTS AND TELEGRAPHS) 1975-76						
		<i>A. Voted Grants</i>				
51.	17—Capital Outlay on Posts & Telegraphs	Communications (P. & T. Board.)	1,92,54,00,000	2,04,48,67,139	11,94,67,139	24-6-77
		<i>B. Charged Appropriations</i>				
		NIL				

2.2. According to the revised time schedule agreed to by the Committee in April 1974, explanatory notes on excesses over Voted Grants and Charged Appropriations are required to be submitted to the Committee by 31 May or immediately after the presentation of the Appropriation Accounts to Parliament, whichever is later. From a perusal of the statement on preceding pages, it is seen that whereas explanatory notes relating to 30 Grants/Charged Appropriations* administered by various Ministries/Departments were received within the period prescribed in the revised schedule, i.e., by 31 May, 1977, three notes relating to Grants/Appropriations administered by Ministry of Labour, Ministry of Health and Family Welfare and the Department of Atomic Energy were received on 1 June, 1977 i.e. a day after the expiry of the prescribed period. Although, the Appropriation Accounts (Railways) were laid on the Table of the House on 13 June, 1977, the explanatory notes relating to all the 12 Grants and 1 Charged Appropriation administered by the Ministry of Railways were furnished on 16 July, 1977. Similarly, the explanatory notes relating to 2 Grants administered by the Ministry of Defence, which ought to have been furnished immediately after the presentation of the Appropriation Accounts (Defence) to Parliament on 2 July, 1977, were received on 3 August, 1977. The explanatory note relating to the Grants administered by the Ministry of Communications (P&T Board) was received on 24th June, 1977, i.e. the day on which Appropriation Accounts (P&T) were laid on the Table of the House.

2.3. Only a year ago, while recognising that there was a perceptible improvement in the timely submission of explanatory notes, the Committee had expressed the hope that every endeavour would be made by all concerned to ensure scrupulous adherence to the schedule. Although the above observations of the Committee were brought to the notice of all Ministries/Departments, the Committee find that some delays still continue to persist in the submission of explanatory notes on Excesses over Voted Grants and Charged Appropriations. While three notes relating to grants Appropriations administered by Ministry of Labour, Ministry of Health and Family Welfare and Department of Atomic Energy were received on 1 June, 1977, a day after the expiry of the prescribed period i.e. 31 May, the notes relating to all the grants administered by the Ministry of Railways were received on 16th July, 1977. The notes relating to two Grants/Appropriations governed by

*Appropriation Accounts (Civil) were laid on the Table of the House on 7 April 1977.

the Ministry of Defence were received as late as 3.8.77. The Committee in particular take a serious view of this delay and desire fixation of responsibility for appropriate action. The Committee need hardly point out that time and again, it has been emphasised that any delay in the submission of these 'notes' to the Committee thwart the programme of expeditious finalisation of the Report on Excesses over Voted Grants and Charged Appropriations and presentation thereof to the Parliament. The Committee would once again like to stress the need for making all out efforts by all concerned to eliminate the avoidable delays in future by ensuring strict adherence to schedule prescribed in this regard so that the excesses are expeditiously brought before Parliament.

2.4. The Committee attempted an analysis of the excesses recorded under various grants administered by the Ministry of Home Affairs, Ministry of Works and Housing and Ministry of Shipping and Transport during the past six years ended 31 March 1976. The following table indicates the excesses that occurred in various grants administered by these Ministries during the years from 1970-71 to 1975-76.

Ministry of Home Affairs

(Rupees in lakhs)

Grant	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76
Ministry of Home Affairs . . .	5.68	—	—	—	—	8.09
Cabinet/Department of Personnel & Adm. Reforms . . .	0.10	—	—	5.56	—	14.76
Police	84.32	189.04	—	—	—	584.00
Other Expenditure of the Ministry of Home Affairs . . .	0.28*	—	—	24.56	410.91	—
Andaman & Nicobar Islands . . .	—	—	91.58	43.22	78.51	148.08
Chandigarh	3.06	—	—	10.30	4.13	0.44
Dadra & Nagar Haveli	2.34	—	—	8.98	—	0.17
Lakshadweep	—	—	—	2.45	—	6.14
Capital outlay in Union Territories & Tribal areas . . .	—	157.42	249.60	—	—	—
Tribal Areas	49.82	255.39	—	—	—	—

Note *Pertains to Grant No. 48—Privy Purse and allowances of Indian Ruler.

Ministry of Works and Housing

Grant	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76
Public Works	494.80	330.41	662.16	227.50	0.83	1.53
Delhi Capital Outlay	35.64	0.73	19.86	—	—	—
Ministry of Works & Housing	—	—	18.29	—	—	2.27

Ministry of Shipping and Transport

Grant	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76
Ministry of Shipping & Transport	4.24	—	—	6.75	—	—
Roads	134.75	230.30	49.32	—	—	69.19
Capital Outlay on Roads	1.38	—	320.36	—	—	—
Capital Outlay on Ports	3.23	2.92	—	—	—	—
Light Houses and Shipping	—	—	6.15	—	5.02	4.70

2.5. Underlining the need for greater financial discipline in certain Ministries over the recurring phenomenon of excesses under some grants, the Public Accounts Committee (1975-76), in paragraph 2.3 of their 180th Report (Fifth Lok Sabha), had observed as follows:

“An analysis by the Committee of the excesses recorded under various grants during the past five years ended 31st March 1974 reveals a rather disquieting picture in respect of the grants administered by certain Ministries. The Committee find, in particular, that there have been persistent excesses in the grants administered by the Ministries of Works and Housing, Shipping and Transport and Home Affairs. Later in this Report the Committee have examined in some detail the grant relating to Public Works administered by the Ministry of Works and Housing. The recurring phenomenon of excess under these grants underlines the need for greater financial discipline in the Ministries concerned. The Committee

are particularly concerned over the budgetary control exercised by the Union Territory Administrations. The Committee desire that concerted steps should be taken forthwith to tighten up budgetary procedures and controls by the concerned Ministries."

2.6. In this connection, in somewhat identical notes furnished by the Ministry of Home Affairs, Ministry of Shipping and Transport and Ministry of Works and Housing in February, 1976, the Committee were informed as under:

"(i) Ministry of Home Affairs

All the concerned officers of this Ministry have been directed to carefully note the observations of the P.A.C. and make every endeavour to maintain and improve budgetary procedure so as to ensure that the recurring phenomenon of excess over voted grants/charged appropriations are minimised vide this Ministry's circular letter No. 7/6/75-Ac. III dated 6.1.1976.

(ii) Ministry of Shipping and Transport

The Committee's observations have been noted. Steps are being taken to tighten up the budgetary procedures and controls in the Ministry. Instructions have been issued to all the Heads of Departments/Offices in this regard as per Ministry of Shipping and Transport letter No. DPC-16/75-I dated the 20th January, 1976.

(iii) Ministry of Works and Housing

In accordance with the observations made by the Committee in their 49th Report (Fifth Lok Sabha) a Task Force had been constituted to report on the effectiveness of the various procedures of expenditure control. The Task Force recommended the adoption of the System of Net Budgeting in this Ministry for controlling works expenditure. This recommendations is still under consideration of the Ministry of Finance (Department of Economic Affairs).

However, on receipt of the comments of the Public Accounts Committee, the Engineer-in-Chief, C.P.W.D. has issued instructions to all Superintending Engineers, Executive Engineers, etc., to ensure strict compliance to the above aspect of the Budgetary Control. A copy

of his Memo. No. 10(5)/75-B(E-in-C), dated the 15th September, 1975, is enclosed. Further follow up action will be taken after a decision has been taken on the recommenadtion of the Task Force, by the Ministry of Finance."

2.7. That excesses over Voted Grants and Charged Appropriations administered by the Ministry of Home Affairs, Ministry of Works and Housing and Ministry of Shipping and Transport, should persist, only serves to reinforce the Committee's oft-repeated observations that adequate and serious attention was not being paid by some Ministries/Departments to the implementation of the Committee's recommendations. It seems that the instructions issued by the Ministries/Departments from time to time in this regard have failed to yield the desired results. The Committee desire that a detailed review of the existing arrangements should be undertaken to consultation with Ministry of Finance to devise suitable and effective measures with a view to remove the inherent suitable and effective systems. The Committee would like to be apprised of the result of the examination and the steps taken in this regard.

2.8. It is also seen from the Explanatory Notes furnished by the Ministry of Railways that out of 12 Grants administered by them in which excess expenditure had occurred, there were misclassifications in respect of 8 Grants. Apart from the case of the Ministry of Railways, there were either erroneous adjustment or misclassification in Grants Nos. 39 and 41 administered by the Department of Revenue and Banking and the Department of Economic Affairs respectively. Besides, there was an erroneous adjustment to the tune of Rs. 20.50 crores under Grant No. 29 administered by the Ministry of Energy and of Rs. 1.32 crores in Grant No. 79 administered by the Department of Steel.

2.9. The Committee had also noticed misclassifications of expenditure in a number of cases during the year 1973-74. Commenting on such misclassifications, the Public Accounts Committee 1975-76) in paragraph 2.4 of their 180th Report (Fifth Lok Sabha) observed in this connection:

"The Committee are also concerned to note that during the year under review, there have been misclassifications of expenditure in a number of cases on a fairly large scale. This implies slipshod work on account of which the reconciliation of departmental figures with those accounted

for in the Accounts Offices appears ineffective. That this should be so despite earlier recommendations of the Committee emphasising the need for prompt reconciliation of accounts would indicate that adequate attention is not being paid by the concerned Ministries to this important aspect of accounting and that the instructions issued from time to time in this regard have failed to produce the desired effect. As such misclassifications vitiate sound budgetary control, the Committee desire that necessary remedial measures should be taken to eliminate the default. The Committee take a serious view of this matter and expect that it will not recur in future."

2.10. In their Action Taken Note furnished to the Committee *vide* O.M. No. F. 8(22)-B/75 dated the 21st November, 1975, the Ministry of Finance (Department of Economic Affairs) stated:

"The Ministries etc. have been requested *vide* this Ministry's D. O. No. F.11(1)-W&M/75 dated 25-4-75 to complete the reconciliation work by a stipulated date and also to furnish a certificate about the completion of the work in this regard."

2.11. The Committee are concerned to note that during the year 1975-76, there have been misclassifications of expenditure under eight grants administered by Ministry of Railways on a fairly large scale. In spite of the instructions repeated in D.O. letter No. F. 11(8)/N&M/75 dated the 25th April, 1975, by the Ministry of Finance (Department of Economic Affairs), that 'reconciliation work has to be attended to promptly every month so that rectification of errors, misclassifications, if any, is effected in time, resulting in better control over expenditure vis-a-vis the budgetary provision' the Committee are constrained to observe that the important work of reconciliation of departmental figures with those accounted for in the Accounts Offices appears in-effective.

Taking a serious view of the matter, the Public Accounts Committee (1975-76) in paragraph 24 of their 180th Report (Fifth Lok Sabha) had observed as follows:

' That this should be so despite earlier recommendations of the Committee emphasising the need for prompt reconciliation of accounts would indicate that adequate attention is not being paid by the concerned Ministries to this important aspect of accounting and that the instructions

issued from time to time in this regard have failed to produce the desired effect. As such mis-classifications vitiate sound budgetary control, the Committee desire that necessary remedial measures should be taken to eliminate the default."

2.12. The Committee deplore such recurrent lapses and desire that positive instructions should be issued by the Ministry of Finance and the Ministry of Railways to eliminate such misclassifications in future. The Committee would also like to have a categorical statement from the Ministry of Finance whether a certificate to the effect that the reconciliation work has been completed by the due date is invariably furnished by the Internal Financial Adviser concerned to their Budget Division, as per instructions issued by them on the 25th April, 1975.

2.13. The Committee will now proceed to deal with some individual cases of excess expenditure disclosed in the Appropriation Accounts where the explanation offered for the excesses is not satisfactory.

APPROPRIATION ACCOUNTS (CIVIL)

1975-76.

Department of Agriculture

2.14. Grant No. 1—Department of Agriculture:

Voted Expenditure	Rs.
Original Grant	1,81,93,000
Supplementary Grant	10,00,000
Final Grant	1,91,93,000
Actual Expenditure	1,96,60,739
Excess	4,67,739

2.15. Explaining, in a note, the reasons for the excess expenditure the Department of Agriculture have stated, *inter alia*, as follows:

"The grant provides for expenditure on the Secretariat of the Department and other Miscellaneous Organisations, i.e. Agricultural Counsellor, Embassy of India, Rome and

Zoological Park, Delhi. As against the final grant of Rs. 1,91,93,000, the actual expenditure amounted to Rs. 1,96,60,739 leading to an uncovered excess of Rs. 4,67,739 as indicated below:

Major Head & Group Head	Final Grant	Actual Expenditure	Excess (+) Saving (—)
	Rs.	Rs.	Rs.
Major Head "296" A—1 Secretariat	1,61,64,000	1,64,20,976	(+) 2,56,976
A—2(1) Councillor (Agri) Embassy of India, Rome	2,50,000	4,60,954	(+) 2,10,954
Major Head "295" B. 1(1) Zoological Park, Delhi	27,79,000	27,78,809	(—) 191
TOTAL	1,91,93,000	1,96,60,739	(+) 4,67,739

The excess is mainly due to:

A-1—Secretariat

- (i) More tours undertaken than anticipated in connection with the implementation of the various developmental agricultural schemes.
- (ii) Increased number of deputations/delegations abroad.
- (iii) Increased payment to the daily rated coolies on account of the upward revision of daily wages.
- (iv) Unforeseen payment to a lawyer on account of legal fee.
- (v) Unanticipated adjustment of Rs. 1.60 lakhs in March Supplementary Accounts.

A-2(1) Councillor (Agri) Embassy of India, Rome

The excess under the above sub-head may be accounted for due to:—

- (i) Payment of transfer travelling expenses including customs duty advance to Counsellor (Agri.) on his transfer from Rome to India, grant of leave salary to him and sanction of tours to New York, Kthoaram and Geneva.

- (ii) Emergency passages availed by Technical Assistant and his wife to India.
- (iii) Higher medical charges.
- (iv) Increase in rent of buildings.
- (v) General rise in prices in Italy.

Taking into consideration the trend of expenditure and anticipated liabilities the Revised Estimates for Grant No. 1—Department of Agriculture were placed at Rs. 1,96,84,000/- against the Budget Estimates of Rs. 1,81,93,000/- for the year 1975-76. The Revised Estimates exceeded the Budget Estimates by Rs. 14.91 lakhs. A supplementary demand of Rs. 10.00 lakhs was obtained during the year and it was expected that the balance of Rs. 4.91 lakhs could be met out of the savings within the grant. Unfortunately, the savings did not materialise to this extent in this grant. Further, the adjustment of Rs. 1.60 lakhs was carried out by the Pay & Accounts Officer, Department of Food, in March Supplementary Accounts and as such no supplementary demand was possible at that stage. This resulted in an excess over the grant to the extent of Rs. 4,67,739/- requiring regularisation by Parliament.

The net excess of Rs. 4,67,739/- over the sanctioned grant may kindly be recommended for regularisation by Parliament under Article 115(1)(b) of the Constitution."

2.16. The excess expenditure of Rs. 2.11 lakhs under the Group head 'A-2(1) Counsellor (Agri) Embassy of India, Rome' under Grant No. 1—Department of Agriculture' works out to nearly 84 per cent of the Final Grant of Rs. 2.50 lakhs. This is not the first occasion when excess under this Group head has come to the notice of the Committee. An excess of nearly 29 per cent under this Group Head was also reflected in the preceding Appropriation Accounts (Civil), 1974-75. The excess has been attributed inter alia to higher medical charges, increased payments of rent of buildings and inflation in Italy, as in the preceding year. The Committee are firmly of the view that the additional expenditure on medical charges and rent could have been foreseen and provided for. The Committee would like to be informed of the reasons as to why taking advantage of the preceding year's experience, the factor of increased expenditure on rent and the inflationary trend following oil crisis was not anticipated at the time of obtaining original as well as supplementary provisions.

Department of Revenue & Banking

2.17. Grant No. 34-Taxes on Income, estate Duty, Wealth Tax & Gift Tax.

Voted Expenditure	Rs.
Original Grant	35,33,38,000
Supplementary Grant:	6,66,74,000
Final Grant	42,00,12,000
Actual Expenditure	42,12,80,390
Excess	12,68,390

2.18. In a note furnished to the Committee explaining the reasons for the excess expenditure of Rs. 12,68,390 in the Revenue Section of the Grant, the Department of Revenue and Banking have stated:

“The excess occurred mainly under heads ‘A.1(1)—Investigation’ and ‘A.2(1) Commissioners and their Offices’. The excess under head ‘A1(1) Investigation’ was caused by an unforeseen increase in expenditure on payment of rewards to employees equal to their one month’s basic pay granted in recognition of the success of the Voluntary Disclosures Scheme, increase in the cost of various stores purchased, etc. The excess under ‘A. 2(1) Commissioners and their offices’ was mainly due to the fact that the Supplementary grant obtained to meet the additional instalments of dearness allowance sanctioned in September, 1975 did not adequately cover the arrears relating to the period ending 31st August, 1975 which were not payable in cash but were to be credited to the Compulsory Deposit Account and the General Provident Fund Account of the employees.

This excess, which constitutes only 0.3 percent of the total final grant, may kindly be recommended for regularisation by the Parliament under article 115(1)(b) of the Constitution of India.”

2.19. The Committee note that the excess under the Voted expenditure of Department of Revenue and Banking for the year

1975-76 occurred mainly under the heads 'A 1 (1) Investigation and A 2(1) Commissioners and their offices'. An excess has occurred under the head 'Salaries' for the second year in succession. Against the final grant of Rs. 33.44 crores, in the Appropriation Accounts for the year 1974-75 the excess expenditure disclosed was Rs. 46.34 lakhs. Against the final grant of Rs. 42 crores during the year 1975-76 the actual expenditure booked amounted to Rs. 42.13 crores, leaving an uncovered excess of about Rs. 13 lakhs. This excess was caused by an unforeseen increase in expenditure on payment of reward to employees equal to their one month's basic pay granted in recognition of the 'success' of the Voluntary Disclosure Scheme, increase in the cost of various stores, purchased etc., and the arrears on account of additional instalments of dearness allowance. As there was usually no element of uncertainty or unforeseenability in the expenditure on pay and allowances, there should normally be no excess on this account. This has repeatedly been reiterated by the Committee in the past*

The Committee (1976-77) had expressed concern over this phenomenon in paragraph 2.48 of the 227th Report (5th Lok Sabha) and had indicated that while some variation between the estimates and actuals was understandable on this account, large variations as had occurred were hardly justified. The Committee hope that the Department of Revenue and Banking which has again witnessed excess expenditure on account of pay and allowances, would take adequate care in future to avoid excesses on this account.

Department of Economic Affairs

2.20. Grant No. 37—Currency, Coinage and Mint.

Voted Expenditure	Rs.
Original Grant	35,17,17,000
Supplementary Grant	8,80,68,000
Final Grant	43,97,85,000
Actual Expenditure	44,13,08,530
Excess	15,23,530

*1. Public Accounts Committee (1968-69), 31st Report (4th Lok Sabha), paragraph 2.73.

2. Public Accounts Committee (1969-70), 83rd Report (4th Lok Sabha) paragraph 2.9, July, 1969.

3. Public Accounts Committee (1970-71), 123rd Report (4th L.S.) paragraph 2.53, July, 1970.

2.21. In the Revenue Section, the Original provision of Rs. 35,17,17,000 was augmented by a Supplementary Grant of Rs. 8,80,68,000 obtained in March, 1976. Against a final grant of Rs. 43,97,85,000, the expenditure actually booked amounted to Rs. 44,13,08,530 leaving an uncovered excess of Rs. 15,23,530.

2.22. Explaining the reasons for the excess expenditure under the Grant, the Ministry of Finance have stated:

“The excess occurred *inter-alia* under head “A. 4 Loss on Coinage—A. 4(1) Loss on destruction of withdrawn cons”.

The difference between the face value of uncurrent and withdrawn coins, received from banks and treasuries, and the metal value thereof at the current rates is accounted for under this head. The excess was on account of receipt of larger number of coins for destruction than anticipated at the time the supplementary grants were finalised.

This excess, which constitutes only 0.3 percent of the total final grant, may kindly be recommended for regularisation by the Parliament, under article 115(1)(b) of the Constitution of India.”

2.23. The excess expenditure of Rs. 15.24 lakhs incurred in the Grant ‘Currency, Coinage and Mint’ attracts interest on two counts. Bulk of it was caused under the Group head ‘A.4(1)-Loss on destruction of withdrawn coins.’ The total grant under this Group head was Rs. 85.81 lakhs, whereas the expenditure was Rs. 121.58 lakhs. The excess of Rs. 35.77 lakhs works out to 41.5 per cent. Commenting on the excess that occurred under this head in the year 1974-75, on account of ‘purchase of metals’ the Committee (1976-77) had observed that it was a matter of great concern since the excesses occurred in a grant administered by the Department of Economic Affairs, entrusted with the responsibility of ensuring better financial discipline. The Committee have now been informed that the Mint Masters/General Manager of all the Undertakings have been instructed to make a realistic assessment of their requirements of funds at the budget stage itself and to keep constant vigil on the expenditure incurred from time to time. The Committee are not certain how the instructions issued to Mint Masters will take care of the need for accurate estimation of the difference between the face value of uncurrent and withdrawn coins received from Banks and Treasuries and the metal value thereof at the prevalent rates. The Committee desire that the

Department of Economic Affairs should review their instructions to ensure better estimation in future.

Department of Economic Affairs:

2.24. Grant No. 38—'Pensions'

Voted Expenditure	Rs.
Original Grant	22,60,00,000
Supplementary Grant	3,00,00,000
Final Grant	25,60,00,000
Actual Expenditure	26,91,86,429
Excess	1,31,86,429

2.25. An extract from the Explanatory Note furnished in this regard by the Department of Economic Affairs is reproduced below:

“The excess which is the net result of excesses and savings under the various sub-heads of the Grant. occurred mainly under the following sub-heads:—

	A. 2.—Com- muted Value of Pensions : A. 2(1)—Ordin- ary Pension	A. 4.—Gratui- ties	A. 5.—Family Pensions
Original Grant	1,01,45,000	3,51,06,000	1,34,46,000
Supplementary Grant	1,00,00,000	1,25,00,000	..
Final Grant	2,01,45,000	4,76,06,000	1,34,46,000
Actual Expenditure	2,41,49,212	6,37,75,861	1,85,58,684
Excess	40,04,212	1,61,69,861	51,12,684

The above excesses amounting to Rs. 2,52,86,757 were met to a large extent from savings under other sub-heads leaving an uncovered excess of Rs. 1,31,86,429.

While the Grant is controlled by the Ministry of Finance, pension payments are arranged and accounted for by the Accounts Officers. The quantum of actual payments during a financial year depends, *inter-alia*, on the number of retirements, requests for

commutation of pensions, deaths of pensioners, etc. which are not susceptible of precise estimation. At the time of review of the Grant in March 1976 the requirements then estimated by the accounting authorities were taken into account and a Supplementary Grant of Rs. 3,00,000 was obtained. But this fell short of the final requirements by Rs. 1,31,86,429.

In view of the circumstances explained above the excess of Rs. 1,31,86,429 may kindly be recommended for regularisation by Parliament under Article 115(1)(b) of the Constitution."

2.26. The Committee note that but for savings under other sub-heads, the excess under the heads A.2.(1)—Ordinary Pensions, A.4 Gratuities and A.5 Family Pension would have amounted to Rs. 252.87 lakhs, representing 31.14 per cent of the provision sanctioned against these heads. Bulk of the excess occurred under the sub-head 'A.4-Gratuities', where the final grant was Rs. 476.06 lakhs and the actual expenditure was Rs. 637.76 lakhs with an excess of Rs. 161.70 lakhs. There occurred a similar excess of Rs. 24.94 lakhs under Grant '10-Pension and other Retirement Benefits' in the Appropriation Accounts (Civil) for 1972-73. The Committee would urge that recurrence of excess under this head should be avoided by better coordination and liaison between the Ministry of Finance who control this grant, and the Accounts officers, who arrange and account for pension payments. The Committee would watch the improvements effected in this behalf through future Appropriation Accounts.

Department of Revenue and Banking

2.27. Grant No. 39—Opium and Alkaloid Factories.

Voted Expenditure	Rs.
Original Grant	17,49,24,000
Supplementary Grant	3,10,60,000
Total grant	20,59,84,000
Actual Expenditure	21,72,82,534
Excess	1,12,99,534

2.28. In a note furnished to the Committee, explaining the reasons for the excess expenditure, the Department of Revenue and Banking have stated:

"Of this excess of Rs. 1,12,99,534, Rs. 81, 57, 459 is the result of double adjustment of expenditure on certain purchase of

opium for the factory at Neemuch and the Accountant General in whose books it was erroneously adjusted could not rectify it before the close of the accounts for 1975-76. This part of the excess which was due to misclassification in the accounts would not seem to require regularisation on the analogy of the recommendations in paragraph 7 of the 16th Report of the Public Accounts Committee (First Lok Sabha).

The remaining excess of Rs. 31,42,075 is mainly due to adjustment of debits on account of customs duty on Codeine Phosphate imported during the later part of 1975-76. No provision on this account was made in 1975-76 as it was expected, on the basis of past practice, that the debits might not be adjusted in that year itself. These were, however, adjusted in the closing batch of the accounts for 1975-76 resulting in an excess.

This excess of Rs. 31,42,075 may kindly be recommended for regularisation by the Parliament under article 115(1) (b) of the Constitution of India."

2.29. The Committee note that of the excess of Rs. 1,12,99,534 under the Grant No. 39—Opium and Alkaloid Factories, a sum of Rs. 81,57,459 is the result of double adjustment of expenditure on certain purchases of opium for the factory at Neemuch and the Accountant General in whose books it was erroneously adjusted and he could not rectify it before the close of the accounts for 1975-76. The Committee had in the past repeatedly expressed concern about the significant misclassifications and erroneous adjustments in accounts that occurred in certain Grants and had hoped that the reconciliation of expenditure booked in accounts with the departmental figures would be done promptly in future. The Committee are of the view that double adjustment of expenditure is a serious error in the proper upkeep and maintenance of books of accounts and could and should have been detected if adequate attention had been paid to prompt reconciliation of departmental figures with the accounts figures. As misclassifications and erroneous adjustments vitiate budgetary control, the Committee desire that procedures should be tightened up and responsibility, particularly at the supervisory level should be fixed, for appropriate action whenever such lapses come to notice.

2.30. The Committee find that the remaining excess of Rs. 31.42 lakhs is mainly due to delayed adjustment of debits on account of customs duty on Codeine Phosphate imported. This is not the first

occasion when an instance of this nature has come to the Committee's notice. During the year 1972-73, an excess of Rs. 1.90 lakhs had occurred under the Grant due to belated adjustments of past liabilities of Rs. 11.90 lakhs on account of duty levied on the import of codeine phosphate. In the opinion of the Committee recurrence of such excesses could well have been avoided by a closer watch and control over recurring liabilities of this nature.

Department of Economic Affairs (Budget Division)

2.31. Appropriation "Interest payments"

Charged Expenditure	Rupees
Original Appropriation	11,87,84,19,000
Supplementary Appropriation	32,97,97,000
Final Appropriation	12,20,82,16,000
Actual Expenditure	12,28,16,01,152
Excess	7,33,85,152

2.32. The Appropriation covers provision for interest charges on the entire debt of the Government of India (both internal and external) including interest on depreciation and other reserve funds of Government Commercial Departments. The expenditure is 'charged' on the Consolidated Fund of India in accordance with clause (c) of Article 112(3) of the Constitution of India.

2.33. The original provision of Rs. 11,87,84,19,000 was augmented by obtaining a Supplementary Appropriation of Rs. 32,97,97,000 in March 1976 session of Parliament. The actual expenditure, however, turned out to be Rs. 12,28,16,01,152, resulting in exceeding the sanctioned provision by Rs. 7,33,85,152. The excess which is less than one percent of the total sanctioned provision occurred *inter alia* under the following heads:

Sub-head	Total sanctioned Appropriation	Actual Expenditure	Excess
A. 2 (2)—Interest on loans from Govt. of U.S.A.	41,70,91,000	44,29,33,069	2,58,42,069
A. 2 (4)—Interest on loans from Govt. of Canada	4,29,79,000	6,48,69,817	2,18,90,817
A. 2 (22).—Interest on loans from Exim Bank, Japan	26,89,70,000	32,05,00,589	5,15,30,589
			9,92,63,475

2.34. The above excess of Rs. 9,92,63,475, was partly offset by saving under other heads within the Appropriation, leaving an uncovered excess of Rs. 7,33,85,152.

2.35. Explaining in a note, the reasons for the excess expenditure under this Appropriation, the Ministry of Finance have stated:

“The excess under these heads occurred mainly due to adjustments in the accounts for 1975-76, of certain expenditure incurred, in earlier years on payment of interest. Since these adjustments, leading to the excesses, were carried out after 31st March, 1976, no action could be taken to cover these excesses either by obtaining a Supplementary Appropriation or an advance from the Contingency Fund before 31st March 1976. Steps have however, been taken to ensure timely reconciliation of departmental figures with the figures booked in accounts. With the departmentalisation of Accounts, it is hoped that such excesses will not recur.

The recommendation of the Public Accounts Committee is sought to the regularisation of excess of Rs. 7,33,85,152 under Article 115(1) (b) of the Constitution.”

2.36. The Committee find that the overall excess under the Appropriation “Interest Payments” after setting off savings comes to Rs. 7.34 crores. It is significant that but for the savings, the real excess would have been much more. The Committee are not satisfied with the explanation furnished by the Department that adjustment in accounts could not be effected before the close of the financial year. For according to the Department itself, prompt reconciliation of departmental figures with the figures booked in accounts could have been done avoiding the excess. The Committee can only hope that excesses of this nature will not recur in view of the departmentalisation of Accounts. They would like to watch improvements in this behalf through successive Appropriation Accounts.

Department of Economic Affairs

2.37. Grant No. 41—Other expenditure of the Ministry of Finance, Revenue Section.

	Rs.
Original Grant	36,51,38,000
Supplementary Grant	52,74,44,000
Final Grant	89,25,82,000
Actual Expenditure	90,89,66,851
Excess Expenditure	1,63,84,851

2.38. In a note furnished to the Committee, explaining the reasons for the excess of Rs. 1,63,84,851 in the Revenue Section of the Grant, the Department of Economic Affairs have stated:

“The net excess of Rs. 1,63,84,851 resulted due to an erroneous adjustment of Rs. 2,91,27,084 carried out under the Major

Head '268—Miscellaneous General Services—Loss by Exchange' at the close of the financial year 1975-76 and debited to sub-head 'B. 5(3)—Loss by Exchange' in the Grant. The erroneous adjustment represented the difference of credit and debit transactions under sterling remittances advised by one of the Accounts Offices which, in accordance with the accounting procedure, should have first been adjusted under the Head '858—Suspense Accounts' and the net effect of such transactions thereunder adjusted at the close of the year as a receipt under Major Head '068' or as an expenditure under major head '268' as per nature of the net transaction. As a result, an inflated credit was afforded to Major Head '068' in that year. The erroneous adjustment came to notice after the close of the accounts for 1975-76 when it could not be rectified.

The excess expenditure having resulted from erroneous adjustment in accounts, it does not require regularisation in terms of paragraph 7 of the 16th Report of the Public Accounts Committee (First Lok Sabha)."

2.39. Even though the excess expenditure of Rs. 163.85 lakhs under "Grant No. 41-Other Expenditure" again administered by the Budget Division of the Ministry of Finance resulting from erroneous adjustment in accounts, does not require regularisation in terms of paragraph 7 of the 16th Report of the Public Accounts Committee (First Lok Sabha), the Committee are concerned to note that timely reconciliation of accounts was not done as a result of which the erroneous adjustment came to notice only after the close of the accounts for 1975-76, when it could not be rectified. The Committee would like the Ministry of Finance to examine the lapse with a view to seeing that such lapses do not recur in future.

Ministry of Health and Family Welfare.

2.40. Grant No. 44—Medical and Public Health, Revenue Section (Charged).

	Rupees
Original Appropriation . . . . .	..
Supplementary Appropriation	1,06,000
Final Appropriation	1,06,000
Actual Expenditure	1,06,405
Excess	405

Capital Section (Voted)

Original Grant	32,03,94,000
Supplementary Grant	7,33,69,000
Final Grant	39,37,63,000
Actual Expenditure	45,58,07,562
Excess	6,20,44,562

2.41. In a note furnished to the Committee, explaining the reasons for the excess expenditure, the Ministry of Health and Family Welfare stated:

“Revenue Section (Charged): A Supplementary Appropriation of Rs. 1,06,000 was obtained in March 1976 for payment of arrears of salaries to the employees of the National T.B. Training Institute, Bangalore in satisfaction of a decree of the Karnataka High Court. The actual expenditure on this account was Rs. 1,06,405. The excess of Rs. 405 which was due to erroneous rounding of the Supplementary Appropriation to the nearest thousand rupees, requires regularisation by Parliament under Article 115(1) (b) of the Constitution.

Capital Section (Voted): The Original Grant of Rs. 32,03,94,000 was augmented by a Supplementary Grant of Rs. 7,33,69,000 in March 1976. Against the Final Grant of Rs. 39,37,63,000, however, the actual expenditure amounted to Rs. 45,58,07,562 leading to the excess of Rs. 6,20,44,562. This excess was the net result of savings and excesses under various heads and occurred mainly under the following two heads for the reasons indicated thereunder:

- (1) AA. 1(1) (3)—Purchase of materials in India and abroad—Rs. 3,85,32,327.

Medical Stores Depots purchase drugs, medicines, etc., for supplies to indentors from whom the cost is recovered. The Budget provision of Rs. 11 crores for purchases by Medical Stores Depots was augmented by obtaining a Supplementary Grant of Rs. 1 crore in March, 1976. The actual expenditure, however, amounted to Rs. 15,85,32,327. Out of the excess of Rs. 3,85,32,327, that of Rs. 2,35.51 lakhs was due to the adjustment of debits in the account for 1975-76 for stores received by Medical Stores Depots in 1974-75 and the balance excess of Rs. 1,50.82 lakhs was due to emergent

procurement of important life saving drugs and other medicines including those required to be supplied to drought/flood affected areas in the country. This excess expenditure could not be anticipated at the time of obtaining Supplementary Grant in March, 1976.

(2) B.B. 1 (1) (1)—National Malaria Eradication Programme (Rural)—Rs. 4,43,75,506.

The Original Grant of Rs. 1404.68 lakhs for the National Malaria Eradication Programme (Rural) was augmented by a Supplementary Grant of Rs. 622.69 lakhs in March 1976. The actual expenditure, however, amounted to Rs. 24,71.12,506 causing an excess of Rs. 4.43,75,506. Of this, the excess of Rs. 101.58 lakhs was mainly due to belated adjustment in the accounts for 1975-76 of debits raised in 1970-71, 1973-74 and 1974-75 in respect of procurements through the DGS&D. The balance of the excess was due to large procurement and supply by the DGS&D of Malathion than anticipated during 1975-76 for combating Malaria. Malathion is used also in agriculture (as insecticide/pesticide) and DGS&D supplies for National Malaria Eradication Programme in previous years had fallen short of the requirements. However, in 1975-76, the total procurement by DGS&D proved to be higher than required, resulting in larger supplies for NMEP as it was not possible for DGS&D to stagger supplies beyond March, 1976.

The gross excess of Rs. 8.29,07,833 under the two heads was met to the extent of Rs. 2.08,63,271 from savings available under other heads in the Grant, leaving uncovered the net excess of Rs. 6,20,44,562.

In view of the above, the excess of Rs. 6,20,44,562 in the Capital Section (Voted) of the Grant may be recommended for regularisation under Article 115(1) (b) of the Constitution."

2.42. Commenting on the excess expenditure of Rs. 2.34 crores incurred towards purchase of materials in India under the sub-head A.1(1)—Depots in 'Grant No. 117—Capital Outlay of the Ministry', disclosed in the Appropriation Accounts (Civil) for the year 1972-73, the Public Accounts Committee (1974-75) had in paragraph 2.19 of their Hundred and Thirty-fourth Report (Fifth Lok Sabha) observed:

"An excess expenditure of Rs. 2.34 crores was incurred towards purchase of materials in India under the sub-head 'A. 1(1)—Depots' in 'Grant No. 117—Capital Outlay of the Ministry of Health and Family Planning' and the excess works out of about 21 per cent of the final provision of Rs. 11.08 crores. Excess under this sub-head had also occurred during 1971-72. The Committee are unable to accept the explanation of the Ministry that, since bulk of the purchases are made through the Directorate General, Supplies and Disposals and bills in respect of the supplies are paid by different Pay and Accounts Officers and adjustments of payments are made from time to time, it was not possible to quantify the additional requirements of funds in time. The Committee feel that with greater liaison with the Directorate General, Supplies and Disposals on the one hand and the Accounts Officers on the other, such excesses could have been anticipated and minimised considerably, if not altogether eliminated. The Committee, therefore, require that the Ministry should evolve suitable systems to ensure a more effective coordination with the procuring agency and Accounts organisations."

2.43. The Committee note that an excess expenditure of Rs. 6.20 crores was incurred during 1975-76 under various sub-heads in the Capital Section of 'Grant No. 44—Medical and Public Health', against the original grant of Rs. 32.04 crores, which works out to nearly 19 per cent of the original provision. But for savings under other sub-heads in the Grant, the excess expenditure would have been as high as Rs. 8.30 crores, i.e., nearly 25 per cent of the original provision. The Committee find that out of an excess of Rs. 385.32 lakhs under head 'AA. 1(1)(3)—Purchase of materials in India and Abroad', a sum of Rs. 235.51 lakhs was due to the belated adjustment of debits for stores received by Medical Stores Depots in 1974-75. Again the excess of Rs. 101.58 lakhs under head 'BB. 1(1) (L) National Malaria Eradication Programme (Rural)' was due to belated adjustment in the accounts for 1975-76 of debits raised in 1970-71, 1973-74 and 1974-75 in respect of procurements through DGS&D. It is not clear to the Committee why the liabilities on account of stores procured in 1970-71, 1973-74 and 1974-75 could not be anticipated earlier, at least at the stage of the Revised Estimates. The Committee find that their earlier recommendation

made in paragraph 2.19 of their 134th Report (Fifth Lok Sabha) 'for better coordination with the Suppliers' Organisations and the Accounts Officers' have failed to produce the desired effect. The Committee desire that the recurrent lapses on this account may be seriously looked into, with a view to fixing responsibility at the supervisory level and in order to avoid recurrence of such excesses in future. They would like to have a report in this behalf.

Ministry of Home Affairs

2.44. Grant No. 49—Police.

Revenue Section.

	Voted Expenditure	Rupces
Original Grant		1,74,17,13,000
Supplementary Grant		20,09,91,000
Final Grant		1,94,27,04,000
Actual Expenditure		2,00,11,04,521
Excess		5,84,00,521

2.45. In a note furnished to the Committee, explaining the reasons for excess expenditure, the Ministry of Home Affairs have stated:

"The overall excess of Rs. 5.84,00,521 was the net result of excess and saving under the various sub-heads in the Grant.

Excess occurred mainly under the following sub-heads:

A. 1.—*Central Reserve Police (+ Rs. 1,98,47,397)*

Grant	Actual expenditure	Excess
R.s	Rs.	Rs.
54,55,34,000	56,53,81,397	1,98,47,397

The expenditure exceeded the sanctioned budget grant by Rs. 1,98,47,397 due to:

Adjustment of more debit vouchers on account of Railway Warrants; more movement of battalions; more expenditure on Ration money consequent upon deployment of Battalions in areas where ration money is admissible; adjustment of past liabilities and increase in the rates of electri-

city, water and freight charges and also materialisation of more indents earlier than anticipated.

A. 2 (1)—*Directorate General of Border Security Force (+ Rs. 2,94,54,274).*

Grant	Actual Expenditure	Excess
Rs.	Rs.	Rs.
64,63,99,000	67,58,53,274	2,95,54,274

The excess expenditure of Rs. 2,94,54,274 was mainly due to:

Revision of Pay scales of BSF Officers on the basis of Third Pay Commission's recommendations and adjustment of past liabilities.

A. 4.—*Assam Rifles (+ Rs. 1,95,99,957).*

Grant	Actual Expenditure	Excess
Rs.	Rs.	Rs.
31,24,32,000	33,20,31,957	1,95,99,957

The excess of expenditure was mainly due to:

Revision of pay scales; more supplies of vehicles than anticipated and general increase in prices; adjustment of arrears of pay and allowances of Assam Rifles personnel and also adjustment of arrears of book debit vouchers for the supply of ration articles by the Army and increase in POL prices.

A. 8 (2)—*Charges paid to other Government Departments etc. (+ Rs. 2,19,94,699).*

Grant	Actual Expenditure	Excess
Rs.	Rs.	Rs.
4,42,00,000	6,61,94,699	2,19,94,699

The excess expenditure was due to:

Post budget decision for sharing of expenditure on certain cryptographic material produced by the Ministry of Defence and more reimbursement for J & K Militia owing to payment of additional dearness allowance and also adjustment of debits pertaining to previous years.

The above excesses and other minor excesses under other group-heads were partly offset by savings under the remaining group-heads leaving net excess of Rs. 5,84,00,521 in the Grant which needs to be regularised.

In view of the circumstances explained in para 4 above the overall excess of Rs. 5,84,00,521 may kindly be recommended for regularisation by Parliament under Article 115(1) (b) of the Constitution of India."

2.46. The Committee note that the excess expenditure of Rs. 5.84 lakhs occurred under sub-heads 'A.1—Central Reserve Police, A.2(1)—Directorate General of Border Security Force, A.4—Assam Rifles and A.8(2)—Charges paid to other Government Departments' etc. Excess expenditure is inter alia attributed to revision of pay scales of Officers, payment of additional dearness allowances etc. The Public Accounts Committee (1976-77) had in paragraph 2.48 of their 227th Report (Fifth Lok Sabha) expressed concern over considerable excess expenditure incurred under various grants on account of increased disbursement of pay and allowances, in pursuance of the Government decision on the recommendations of the Third Pay Commission and had hoped that all Ministries/Departments would take adequate care in future to avoid excesses on this account. The Committee would reiterate its earlier observation contained in paragraph 2.73 of their 31st Report (Fourth Lok Sabha), that 'as there was usually no element of uncertainty or unforeseeability in the expenditure on pay and allowance, there should normally be no excess on this account'. The Committee would like the Ministry to take effective measures to curb for good this growing tendency of excess expenditure under the head salaries'.

Ministry of Home Affairs.

2.47. The excess expenditure under various grants relating to the Union Territories Administration has almost become a recurring feature over years. The following statement shows details of the excess expenditure under various grants relating to Union Territories administered by the Ministry of Home Affairs:

Grant No.	Excess		Capital Sec.
	Revenue Sec.		
52—Delhi	106.77		710.33
53—Chandigarh		Charged	} 9.00
		Voted		0.44
54—Andaman & Nicobar Islands	148.08		..
56—Dadra and Nagar Haveli	0.17		..
57—Lakshadweep	6.14		..

Rupees in lakhs

2.48. The explanatory notes received from the Ministry of Home Affairs reproduced in Appendices XV to XX.

2.49. Commenting on the excess in the grant relating to the Andaman and Nicobar Islands, the Public Accounts Committee (1976-77) in paragraph 2.29 of their 227th Report (Fifth Lok Sabha) had observed:

“The Committee are once again constrained to record their displeasure over the persistent excesses that continue to occur, year after year, in the grant relating to the Andaman & Nicobar Islands administered by the Ministry of Home Affairs. During the year under review, a net excess expenditure of Rs. 78.51 lakhs had been incurred by the Andaman & Nicobar Administration, as against Rs. 91.58 lakhs and Rs. 43.22 lakhs respectively during each of the preceding two years. The excess had occurred mainly under the sub-heads ‘A. 12(5) (1)—Stock’ (Rs. 31.41 lakhs) and ‘A. 12(5) (2)—Purchases’ (Rs. 78.54 lakhs). That the excess expenditure under these two sub-heads should work out respectively to 16 per cent and 65 per cent of the final provisions indicates the extent to which the estimation of requirements had been defective. As in the previous years, the bulk of the excess expenditure during 1974-75 was on account of failure to make adequate provision for past liabilities. The Committee are unhappy with this state of affairs and would urge the Ministry to take earnest measures to check on apparently persistent tendency on the part of the Andaman & Nicobar Administration not to make adequate provision for past liabilities. The Committee would like to be informed of the concrete measures taken to effect improvement.”

2.50. The Committee note that excess expenditure under sub-head A.12(3) and A.14(3) ‘Maintenance & Repairs’ (Grants No. 54 and 52 respectively) administered by Andaman and Nicobar Administration and Delhi Administration respectively, and C.3(5)-Plant Protection under Grant No. 57 administered by Lakshadweep administration has inter alia been attributed to rise in the cost of materials and enhancement in labour costs. The Committee would like to know why the effect of the rise in the cost of materials could not be anticipated at least at the time of preparation of revised estimates and adequate funds provided for in the Supplementary Budgets. The Delhi Administration incurred additional liabilities on outlay on urban development for the capital works exceeding the final provision by Rs. 710.33 lakhs. The Committee

desire that in future it will be ensured that additional liabilities are incurred only when adequate provision exists. The Committee also trust that in future, the revised estimates will be prepared with greater care by the respective Administrations so that the excess, if any, over voted grants is minimised, if not altogether avoided.

Ministry of Shipping and Transport (Roads Wing).

2.51. Grant No. 76—Roads.

	Revenue (Voted) Rs.	Capital (Voted) Rs.
Original Grant	69,17,10,000	70,14,63,000
Supplementary Grant	8,65,44,000	..
Final Grant	77,82,54,000	70,14,63,000
Actual Expenditure	77,85,41,053	70,80,95,412
Excess	2,87,053	66,32,412

2.52. Explaining in a note the reasons contributing to the excess, the Ministry of Shipping and Transport (Roads Wing) have stated:

“Revenue Section.

The original Grant of Rs. 69,17,10,000 was augmented by obtaining a Supplementary Grant of Rs. 8,65,44,000 in March, 1976 session of Parliament. Against the final Grant of Rs. 77,82,54,000, however, the actual expenditure amounted to Rs. 77,85,41,053 leaving an uncovered excess of Rs. 2,87,053. The excess of Rs. 2,87,053 was the net result of excesses and savings under various heads in the Revenue Section of the Grant.

The excess is mainly attributable to the gross excess of Rs. 2,57,35,778 under the head ‘A. 2(1) Maintenance of National Highways’. The Original Budget provision of Rs.

18,00,00,000 for this item was augmented by a Supplementary Grant of Rs. 82,53,000 in March 1976; against the total sanctioned Grant of Rs. 18,82,53,000 however, the actual expenditure amounted to Rs. 21,39,88,778 leading to the excess of Rs. 2,57,35,778. The excess was mainly due to extensive repair work undertaken on the National Highways damaged by heavy rains in various parts of the country and increase in cost of material and labour for maintenance works as compared to the norms prescribed by the Central Government. The maintenance and repair works were essential to keep the vital lines of communication intact and were undertaken by the various State Governments who are the executive agencies of the Central Government for the development and maintenance of National Highways. The gross excess of Rs. 2,57,35,778 under this head was partly met from savings available under other heads, leaving a net excess of Rs. 2,87,053 which requires to be regularised.

Capital Section.

Against the Original Grant of Rs. 70,14,63,000 the actual expenditure amounted to Rs. 70,80,95,412 leaving an uncovered excess of Rs. 66,32,412.

The excess resulted due to clearance of debits for the Tools butable to the excess of Rs. 69,00,941 under the head 'AA. 1(2)—Tools and Plants'. Against the Original Budget provision of Rs. 150,00,000 the actual expenditure amounted to Rs. 2,19,00,941 leading to the excess of Rs. 69,00,941. The excess resulted due to clearance of debits for the Tools and Plants procured through the DGS&D. This excess expenditure of Rs. 69,00,941 under this head was partly met from savings available under other heads, leaving a net excess of Rs. 66,32,412, which requires to be regularised.

In view of the explanation given above, the excesses amounting to Rs. 2,87,053 under Revenue Section and Rs. 66,32,412 under Capital Section may kindly be recommended for regularisation by Parliament under Article 115(1) (b) of the Constitution."

2.53. The gross excesses under the head 'Maintenance of National Highways' during the year 1975-76 was Rs. 257.36 crores. The follow-

ing table indicates the excesses that occurred under the head successively year after year from 1959-60 to 1972-73:

Year	Excess (Rs. in lakhs)
1959-60	13.97
1960-61	16.29
1961-62	11.15
1962-63	36.26
1963-64	15.99
1964-65	32.63
1965-66	39.17
1966-67	63.12
1967-68	35.80
1968-69	35.20
1969-70	84.60
1970-71	154.97
1971-72	258.03
1972-73	49.32

2.54. The Committee note that the gross excess under the head 'A.(1)*—Maintenance of National Highways' of Rs. 257.36 lakhs represents about 14.3 per cent of the original budget provision. The excess under this head has almost become a recurring feature. The reasons attributable to the excess are that extensive repair works were undertaken on the National Highways damaged by heavy rains in various parts of the country and increase in cost of material and labour for maintenance works as compared to the norms prescribed by the Central Government. The maintenance and repair works are undertaken by the various State Governments who are the executing agencies of the Central Government for the development and maintenance of the National Highways. The Committee are unable to understand why the increase in cost of material and labour could not be anticipated in close and functional coordination with the State Highway authorities and fully provided for while framing the Revised Estimates, if not earlier. It seems the

*This aspect has also been dealt with in paras 3.18 and 3.19 in Chapter III of the Report.

instructions issued in the past have had little effect in improving the budgetary procedures and controls in the Ministry. The Committee would in particular like the Ministry to examine critically specific steps taken in the implementation of the instructions issued repeatedly by them to tighten up the budgetary procedures and controls in order to identify as to what further steps are necessary to contain the recurring phenomenon of excesses over voted grants/charged appropriations.

Department of Atomic Energy.

2.55. Grant No. 96—Nuclear Power Schemes.

Capital Section

Voted Expenditure	Rupees
Original Grant	41,64,69,000
Supplementary Grant	1,54,00,000
Final Grant	43,18,69,000
Actual Expenditure	43,48,03,262
Excess	29,34,262

2.56. In a note furnished to the Committee, the Department of Atomic Energy have stated:

“The excess was the net result of excesses and savings under various sub-heads in the Capital Section of the Grant; the excesses mainly occurred under the following sub-heads:

	AA. 3—Rajasthan Atomic Power Station—Unit II	AA. 6—Narora Atomic Power Station	AA. 7(2)—Waste Immobilisation Plant at Tarapur
Original Grant	5,19,45,000	3,75,68,000	1,43,05,000
Supplementary Grant	18,10,000	1,26,00,000	..
Final Grant	5,37,55,000	5,01,68,000	1,43,05,000
Actual Expenditure	6,08,12,026	8,63,51,78	2,25,68,543
Excess	70,57,026	3,61,83,785	82,63,543

2.57. The excess of actual expenditure over the sanctioned grant under each of the active sub-heads was mainly due to the following reasons:

- “(a) Increased expenditure on related capital works due, *inter alia*, to accelerated progress of civil works and earlier than anticipated delivery of machinery and equipment by the suppliers;
- (b) payment of Customs Duty, on all foreign supplies, at the rates ranging between 70 per cent to 100 per cent *ad valorem* as against provision for such Customs Duty had been made in the Budget on the basis of a preferential rate of 40 per cent *ad valorem*. Payment of duty at the higher rate was preferred to avoid the delay in customs clearance and incidence of heavy wharfage.

As the book adjustments for larger expenditures was received after the close of the financial year 1975-76, it was not possible to provide additional funds by going in for a Supplementary Grant. Claims for refund of excess duty paid have also been lodged with the Customs authorities.

The above excesses, amounting to Rs. 5,15,04,354 were met, to a large extent, from savings under other sub-heads in the Capital Section of the Grant leaving an uncovered excess of Rs. 29,34,262. The net excess of Rs. 29,34,262 under the Grant is less than 1 per cent of the final Grant and may kindly be recommended for regularisation by Parliament under Article 115(1)(b) of the Constitution.”

2.58. The Committee note that during the year 1975-76, but for savings under other sub-heads, the excess would have been over Rs. 6 crores under the Capital Section of Grant No. 96-Nuclear Power Schemes. The uncovered excess was brought down to Rs. 29.34 lakhs, which highlights the extent to which the estimates have been over-pitched in respect of certain items of expenditure. That adequate attention is not being paid to careful and realistic framing of estimates of expenditure is evident from the repeated instances of wide gap between the Budget Estimates and actual expenditure. The Committee would like to impress upon the Department of Atomic Energy the need to exercise greater caution and realism in framing their estimates in future.

2.59. They would also like to have a report on the outcome of the claims for refund of excess duty paid which are reported to have been lodged with the Customs authorities.

Ministry of Defence**2.60. Grant No. 19—Defence Services—Army.**

Voted Expenditure	Rupees
Original Grant	1500,68,82,000
Supplementary Grant	118,59,41,000
Final Grant	1619,28,23,000
Actual Expenditure	1680,54,43,550
Excess	61,26,20,550

2.61. In a note, explaining the reasons for the excess expenditure, the Ministry of Defence have stated:

"The original grant of Rs. 1500.69 crores was augmented by obtaining two Supplementary Grants for a total amount of Rs. 118.59 crores—Rs. 92.12 crores in January, 1976 and Rs. 26.47 crores in March, 1976. Actual expenditure, however, amounted to Rs. 1680.54 crores against the total sanctioned grant (Voted) of Rs. 1619.28 crores leaving thereby an uncovered excess of Rs. 61.26 crores which is required to be regularised.

The above mentioned excess is the net result of excesses/savings under the various sub-heads as indicated below:—

Sub-heads	Original Grant	Supplementary Grant	Total sanctioned Grant (Voted)	Actual expenditure	(In lakhs of Rupees)	
					Excess (+) Savings (—)	as compared to Total Sanctioned Grant
A-1 P&A of Army	50225.37	6703.40	56928.77	58907.20	(+)	1978.43
A-2 P&A and Misc Expenses of Auxiliary Forces	549.43	53.07	602.50	801.91	(+)	199.41
A-3 P&A of Civilians	9342.24	1098.73	10440.97	10405.87	(—)	35.10
A-4 Transportation	4452.12	5.33	4467.45	4449.93	(—)	17.52

Sub-heads	Original Grant	Supplementary Grant	Total sanctioned Grant (Voted)	Actual expenditure	Excess(+) Savings(-) as compared to Total Sanctioned Grant
A-5 Military Farms	1232.80	32.85	1265.65	1283.43	(+)22.78
A-6 Ordnance Factories	30053.64	3300.96	33354.60	36832.50	(+)3477.90
A-7 R&D Organisation	4508.77	208.86	4717.63	4800.06	(+)112.43
A-8 Inspection Organisation	2776.98	272.45	3049.43	2822.15	(-)227.28
A-9 Stores	37463.17	..	37463.17	37145.88	(-)317.29
A-10 Works	6287.51	129.76	6417.27	7310.62	(+)893.35
A-11 Other Expdr.	3166.79	54.00	3220.79	3250.88	(+)39.09
TOTAL	150068.82	11859.41	161928.23	168054.43	(+)6126.20

It would be observed that the excess occurred mainly under (i) Pay & Allowances of Army—Rs. 19.78 crores, ii) Ordnance Factories—Rs. 34.78 crores and (iii) Works—Rs. 8.93 crores, partly off set by savings under other sub-heads.

The main reasons for the variations in expenditure which led to the overall excess of Rs. 61.26 crores are as under:

(a) Pay and Allowances of Army (Rs. 19.78 crores).—The excess is mainly due to upward revision of ration allowance of Other Ranks (Rs. 9.54 crores), increase in per capita rates of pay and allowances of personnel and payment of arrears of pay and allowances (Rs. 10.16 crores) and increase in retaining fee of Reservists (Rs. 0.08 crore) sanctioned in July 1975.

(b) Ordnance Factories (Rs. 34.78 crores).—The excess is mainly due to more materialisation of supplies and increase in requirements (Rs. 25.60 crores) and adjustment of arrear debits on account of customs duty for foreign purchases by an Ordnance Factory during 1972-73, 1973-74 and 1974-75 (Rs. 12.94 crores). This was partly offset by less expenditure on Pay and Allowances, due to delay in payment of arrears of pay and dearness allowance and less booking of expenditure in respect of one of the Ordnance Factories (Rs. 4.03 crores).

(c) Works (Rs. 8.93 crores).—The excess is mainly due to (i) increase in tariff rates of water and electricity supply and increase in the working expenses of installation (Rs. 4.13 crores), (ii) increase in the cost of works service and special repairs (Rs. 3.94 crores), (iii) General Charges in respect of land and buildings and payment to the Railways for sidings and platforms, turning out to be more than anticipated (Rs. 0.89 crores) and (iv) Delay in transfer of expenditure incurred on stores initially booked under this head, to the appropriate heads (Rs. 0.64 crore). A part of the increase is also due to more stores required for the execution of operational works, minor works and maintenance services Rs. 1.89 crores). This was partly offset by less expenditure on Major Works due to slow progress of works, late conclusion of contracts, reduction in scope of works etc. (Rs. 2.68 crores).

Excesses under para (a) and (c) above were anticipated to a certain extent even at the time of finalisation of the Revised Estimates. It was, however, expected that these could be met by re-appropriation of savings under certain other sub-heads. The savings however did not materialise to the extent anticipated and this has resulted in an overall excess under the Grant.

In the circumstances explained above, the excess of Rs. 61.26,20,550 may kindly be recommended for regularisation by Parliament under Article 115(1)(b) of the Constitution."

2.62. The Committee note that bulk of the excess of Rs. 61.26 crores under Grant No. 19—'Defence Services—Army' is attributed to Pay and Allowances of Army (Rs. 19.78 crores) due to upward revision of ration allowance of Other Ranks, arrears of pay and allowances etc., and Ordnance Factories (Rs. 34.78 crores) due to more materialisation of supplies and increased requirements and adjustment of debits for customs duty. The Committee are of the view that since there was usually no element of uncertainty or unforeseeability in the expenditure on pay and allowances, there should normally be no excess on this account. The Committee find that an excess of Rs. 8.93 crores was attributable to increased tariff rates of water and electricity supply and the cost of works services and special repairs etc. They also feel that the factors of higher materialisation of supplies than anticipated and adjustment of debits, could have been anticipated more precisely at least at the time of obtaining supplementary grant in January and March 1976 and by a more effective coordination and liaison with the suppliers and the Accounts Organisations. That this was not done is

regrettable. The Committee trust that sounder budgetary control will be exercised by the Ministry in future to avoid recurrence of excesses of this nature.

Ministry of Defence

2.63. Grant No. 21—Defence Services—Air Force

Voted Expenditure	Rupees
Original Grant	444,36,75,000
Supplementary Grant	34,62,61,000
Final Grant	478,99,36,000
Actual Expenditure	486,41,62,534
Excess	7,42,26,534

2.64. In a note, explaining the reasons for excess expenditure, the Ministry of Defence have stated:

“The Original Grant of Rs. 444.37 crores was augmented by obtaining two Supplementary Grants for a total amount of Rs. 34.63 crores Rs. 11.30 crores in January, 1976 and Rs. 23.33 crores in March, 1976. The actual expenditure, however, amounted to Rs. 486.41 crores against the final sanctioned grant of Rs. 478.99 crores leaving thereby an uncovered excess of Rs. 7.42 crores which is required to be regularised.

The above mentioned excess is the net result of excesses/ savings under various sub-heads as indicated below:--

Sub-heads	Original Grant	Supplementary Grant	Total sanctioned Grant (Voted)	Actual Expdr.	(In lakhs of Rupees)
					Excess (+) Savings (—) as compared to Total Sanctioned Grant.
A-1 P&A of Air Force	8561.50	889.00	9450.50	9785.87	(+)335.37
A-2 P&A of Reserve & Aux. Services	2.00	..	2.00	2.26	(+)0.26
A-3 P&A of Civilians	1784.58	201.00	1985.58	1875.55	(—)110.03
A-4 Transportation.	564.00	68.18	632.18	845.21	(+)213.03
A-5 Stores	28592.00	2101.00	30693.00	31379.39	(+)686.39
A-6 Works	2140.32	193.43	2333.75	2385.73	(+)51.98
A-7 Spl. Projects	2109.35	10.00	2119.35	1591.84	(—)527.51
A-8 Other Expdr.	683.00	..	683.00	775.78	(+)92.78
TOTAL	44436.75	3462.61	47899.36	48641.63	(+)742.27

It would be observed that the excess occurred mainly under (i) Pay & Allowances of Air Force Rs. 3.35 crores, (ii) Transportation Rs. 2.13 crores and (iii) Stores Rs. 6.86 crores partly off-set by savings under other sub-heads.

The main reasons for the variation in expenditure which led to the overall excess of Rs. 7.42 crores are as under:

(a) *Pay & Allowances of Air Force (Rs. 3.35 crores)*

The excess is mainly due to increase in the per capita rates of Service Officers and Airmen and more expenditure than anticipated on allowances of airmen.

(b) *Transportation (Rs. 2.13 crores)*

The excess is mainly on account of more expenditure on (i) Air Transportation charges and sea and inland water charges due to higher trend of expenditure than anticipated and increase in transport requirements (Rs. 1.40 crores), (ii) Rail charges, due to unexpected heavy adjustments towards the close of the year (Rs. 0.56 crore) and (iii) Traveling and outstation allowances, due to more expenditure than anticipated on account of increase in rates of Daily Allowance, Transportation charges, Baggage charges etc. (Rs. 0.17 crore).

(c) *Stores (Rs. 6.86 crores)*

The excess is mainly on account of (i) Petrol, Oil and Lubricants due to increase in requirements (Rs. 3.10 crores), (ii) Aviation stores, due to more materialisation of supplies and larger adjustments of customs duty charges (Rs. 8.20 crores), (iii) Clothing stores, due to more materialisation of supplies and rise in prices (Rs. 1.45 crores) and (iv) Provisions, due to increase in strength and rise in prices (Rs. 0.79 crore).

The above was Partly offset mainly by less expenditure on (i) Ordnance stores, due to delay in materialisation of supplies and in adjustment of payments (Rs. 2.82 crores), (ii) Air frames and engines, due to delay in payment for supplies and in execution of repair works (Rs. 2.41 crores) and (iii) Research and Development Projects, due to low trend of expenditure (Rs. 1.18 crores).

Excesses under Para (a) and (b) above were anticipated to a certain extent even at the time of finalisation of the Revised Estimates

and were met by re-appropriation of savings available within the Grant.

In the circumstances explained above, the excess of Rs. 7,42,26,534 may kindly be recommended for regularisation by Parliament under Article 115 (1) (b) of the Constitution."

2.65. The Committee observe that an excess expenditure of Rs. 7.42 crores under Grant No. 21-Defence Services-Air Force has been attributed to increase in rates of pay and allowances, higher trend of expenditure than anticipated on transportation charges and increased expenditure on P.O.L., rise in prices, delay in payment for supplies and in execution of repair works on Air frames and engines. Only last year, the Committee (1976-77) had, in paragraph 2.36 of their 227th Report (5th Lok Sabha) observed:

"The Committee have carefully considered the explanation offered by the Ministry of Defence for the excess expenditure of Rs. 9.21 crores under 'Grant No. 21-Defence Services-Air Force' and are of the view that much of the expenditure could have been foreseen and adequately provided for by a more effective monitoring of materialisation of supplies and receipt of debits, relating thereto. For instance, since the escalation in the prices of P.O.L. products became effective from 2 March 1974, in the preceding financial year itself, the Committee are unable to appreciate why the additional liabilities on this account could not have been foreseen and estimated more realistically and provided for at least in the Supplementary Budget. It should have also been possible to provide for the payments relating to supplies made prior to 1974-75 by closer coordination with the suppliers on the one hand and the Accounts Officers on the other. The increased expenditure on repairs/overhaul of air frames and engines and additional payments for Viper engines should have also been anticipated and adequately provided for. The Committee note that tighter budgetary discipline is now being attempted through closer watch over the flow of expenditure and that suitable instructions have been issued to ensure, in future, better anticipation of liabilities, for making timely additional provision, wherever warranted. The Committee hope that these measures would have the desired effect and that excesses on these accounts would be considerably minimised in future."

2.66. The Committee are surprised to note from the explanatory note offered for the excess in 1975-76 that even though the excess expenditure under pay and allowances (Rs. 3.35 crores) and transportation charges (Rs. 2.13 crores) was anticipated to a certain extent even at the time of finalisation of the Revised Estimates, this could not be done more accurately, resulting in a net excess of Rs. 7.42 crores under Grant No. 21-Defence Service-Air Force. The Committee would like to know the reasons therefor as also the steps taken for more accurate estimation of expenditure in future.

APPROPRIATION ACCOUNTS (POSTS & TELEGRAPHS)
1975-76

MINISTRY OF COMMUNICATIONS (P&T BOARD)

2.67. Grant No. 17—Capital Outlay on Posts and Telegraphs

Capital Section

Voted Expenditure	Rupees
Original Grant	1,72,54,00,000
Supplementary Grant	20,00,00,000
Total Grant	1,92,54,00,000
Actual Expenditure	2,04,48,67,139
Excess	11,94,67,139

2.68. In a note furnished to the Committee, the Ministry of Communications (P&T Board) have stated:

“This grant provides for meeting the expenditure on Capital Outlay of the P&T Department and is made up of two parts (i) Works Portion and (ii) Stores and Manufacture Suspense. The former accommodates expenditure on capital assets and is accounted for as ‘Plan’ expenditure. The latter provides for expenditure on procurement of stores required by the Department and manufacturing operations of Telecommunication Factories. As the value of the stores consumed by the Capital Works already enters the ‘Works Portion’ the total ex-

penditure on procurement of stores is reduced by such value of stores debited to works and for the balance only provision is made in the grant as 'Non-Plan' expenditure.

The Original Budget Provision of Rs. 1,72,54 lakhs was made up of Rs. 1,55,78 lakhs under 'Works Portion' (Plan) and Rs. 16,76 lakhs under Stores & Manufacture Suspense Accounts (Non Plan). A Supplementary Grant of Rs. 20,00 lakhs was obtained in March, 1976 to meet additional provisions for payment to I.T.L., H.C.L., H.T.L. as well as for purchase of zinc from M/s. Hindustan Zinc Co. Ltd., and increase in the works-in-progress partly set off by the decrease in the Civil Engineering Stocks Suspense.

The total voted grant stood at Rs. 1,92,54,00,000 against which the actual expenditure came to Rs. 2,04,48,67,139 resulting in an excess of Rs. 11,94,67,139 as under:

	Sanctioned Grant (Rs.)	Actual expenditure (Rs)	Excess (Rs.)
Works Portion	1,72,18,00,000	1,79,92,39,853	7,74,39,853
Stores and Manufacture Suspense	20,36,00,000	24,56,27,286	4,20,27,289
TOTAL	1,92,54,00,000	2,04,48,67,139	11,94,67,139

The excess expenditure of Rs. 7.74 lakhs under works portion is mainly attributable to the following two factors viz.

- (i) An excess of Rs. 13.45 lakhs under "556—B—2—Local Telephone Systems" due to increase in costs and quantities of telephone equipments not anticipated earlier.
- (ii) A saving of Rs. 5.87 lakhs under "556—B—4—Transmission System" due to less receipt of imported cable (Rs. 3.58 lakhs) less expenditure under Lines and Wires (Rs. 8.44 lakhs) under B.4(1) and B.4(5) partly off-set by more receipts of microwave equipments and "other components" (Rs. 6.15 lakhs).

The balance of excess of Rs. 16 lakhs is the cumulative effect of savings and excesses under various components of Postal Services.

The excess expenditure of Rs. 4,20 lakhs under Stores and Manufacture Suspense is attributable to the following factors:

- (i) An excess of Rs. 5,88 lakhs under "General Stores" due to increase in procurement (Rs. 82 lakhs) and fall in Issue to Capital Works (Rs. 5,11 lakhs) slightly off-set by more issues to Factory Stores (Rs. 5 lakhs).
- (ii) Saving of Rs. 69 lakhs under "Factory Stores" due to less procurement.
- (iii) Saving of Rs. 86 lakhs under "Civil Engineering Stores" due to correspondingly larger issues to Capital Works.
- (iv) Saving of Rs. 13 lakhs due to cumulative effect of savings and excesses under other components.

The net excess of Rs. 11,94,67,139 over the sanctioned grant may kindly be recommended for regularisation by Parliament under Article 115(1)(b) of the Constitution."

2.69. The Committee note that an excess of Rs. 11.95 crores occurred under Grant No. 17 'Capital Outlay on Posts and Telegraphs' during the year 1975-76. There was an excess expenditure of Rs. 9.04 crores under this grant during the year 1974-75 also. The Committee would like to know why the increase in costs and quantities of telephone equipments, and increase in procurement of general stores could not be anticipated and provided for. The Committee were informed by the P&T Board in February, 1976 that a decision had been taken to purchase articles required solely for the P&T Department directly and not through the agency of DGS&D, which was expected to improve the Budgetary control. The Committee would like to observe through the next year's Appropriation Accounts how far direct purchases have improved the budgetary control.

APPROPRIATION ACCOUNTS (RAILWAYS)—1975-76

2.70. During the year 1975-76, the actual expenditure under the grants and appropriations administered by the Ministry of Railway (Railway Board) exceeded the sanctioned allotment in twelve Voted Grants and one Charged Appropriation. The excess expenditure aggregated to Rs. 85.79 crores as against Rs. 46.21 crores in 1971-72

Rs. 10.21 crores in 1972-73 and Rs. 17.96 crores in 1974-75 and occurred under the following Voted Grants and Charged Appropriations:

Grant/Appropriation	Excess Expenditure	Percentage of final grant	
Rs.			
<i>Voted Expenditure</i>			
1. Grant No. 3	Payment to worked lines & others	2,22,645	8.77
2. Grant No. 5	Revenue —Repairs and Maintenance	13,80,57,453	2.43
3. Grant No. 6	Revenue—working Expenses—Operating staff	1,71,17,592	0.55
4. Grant No. 7	Revenue —Operation (Fuel)	6,51,70,848	2.50
5. Grant No. 8	Revenue—Operation other than staff and fuel	9,50,45,802	10.78
6. Grant No. 9	Revenue—Miscellaneous expenses	3,11,54,112	5.38
7. Grant No. 10	Revenue —Staff welfare	54,68,576	0.84
8. Grant No. 13	Open Line—Works Revenue.	12,02,120	1.56
9. Grant No. 15	Open line works—Capital, DRF&DF	46,03,71,860	4.62
10. Grant No. 16	Pensionary charges—Pension Fund	4,22,16,919	16.18
11. Grant No. 17	Repayment of loan from General Revenue and interest thereon—Development Fund	2,66,136	0.36
12. Grant No. 21	Appropriation to Accident Compensation Safety and Passenger Amenities Fund	13,08,214	1.68
<i>Charged Expenditure</i>			
Appropriation No. 5	—Revenue—Repairs and Maintenance	2,56,877	17.13

2.71. The following table indicates the excesses recorded under various Voted Grants/Charged Appropriation during the years 1967-68 to 1975-76:

Year	No. of Grants and Appropriations wherein excesses occurred	Amount of Excess
1967-68	5	1.71
1968-69	3	0.11
1969-70	6	2.35
1970-71	4	0.22
1971-72	10	46.21
1972-73	5	10.21
1973-74 . . . . .	..	..
1974-75	6	17.96
1975-76	13	85.79

2.72. In a note furnished to the Committee, explaining the reasons for the excesses, the Ministry of Railways (Railway Board) have stated:

Voted Grant No. 3—Revenue—Working Expenses—Payment to worked lines and others.—Excess of Rs. 2,22,645 over Rs. 25,38,000.

This grant deals with expenditure on:

- (i) payments to owners of Branch Lines, worked by and as part of Indian Government Railway System, of their share of net earnings.
- (ii) subsidy and rebate to such Branch Lines to make up their total earnings to the specified minimum, and
- (iii) payment of subsidy to lines owned and worked by certain private companies when their net earnings do not give the return guaranteed to them on their capital.

The excess of Rs. 2,22,645 was 8.77 per cent of the final grant of Rs. 25,38,000 voted by Parliament. A supplementary grant of Rs. 5.94 lakhs was obtained in March 76 for payment of subsidy to:

- (i) Arrah-Sassaram Light Railway Company (Rs. 3.62 lakhs) and
- (ii) Futwah-Islampur Light Railway Company (Rs. 2.32 lakhs).

The excess of Rs. 2.22 lakhs was mainly due to more payment towards share of net earnings to certain worked lines on account of increase in traffic in the latter part of the year. There is no misclassification under this grant. The excess actually requiring regularisation by Parliament is Rs. 2,22,645 in relation to voted grant of Rs. 25,38,000 which works out to 8.77 per cent of the voted Grant.

Voted Grant No. 5—Revenue Working Expenses—Repairs and Maintenance—Excess of Rs. 13,86,36,582 over Rs. 5,69,71,26,000.

This grant deals with expenditure on repairs and maintenance of Railway assets including track, buildings, rolling stock, ferries, electrical and signal equipment and installations, machinery etc.

The excess of Rs. 13.86 crores works out to 2.43 per cent of the final grant of Rs. 569.71 crores voted by Parliament. A Supplementary Grant amounting to Rs. 55.88 crores was taken under this grant in March, 1976 to meet the expenditure on additional dearness allowance sanctioned by the Government during the year with retrospect-

tive effect, decasualisation of labour, more running repairs to locomotives and carriages and wagons, more workshop repairs to carriages and wagons and electrical multiple unit stock, better train lighting, more repairs to S&T equipments and S&T installations etc. The excess was shared by all the Railways and this occurred mainly due to receipt of more stores, spares etc. and debits therefore, including increase in their prices (6.48 crores), more shed and shop repairs (5.28 crores) (includes excess on account of inadequate provision made by South Central Railway—0.78 crore), fluctuations in the adjustment of undercharges and over-charges (2.06 crores), periodical overhaul to rolling stock (0.65 crores) and aggregate of minor variations (0.27 crores), partly offset by saving due to less adjustment in respect of stock adjustment account (0.88 crore).

After excluding the amount of misclassification viz., Rs. 5,79,129 the excess actually requiring regularisation by Parliament works out to Rs. 13,80,57,453 in relation to the voted Grant of Rs. 5,69,71,26,000 which works out to 2.42 per cent of the voted grant.

*Voted Grant No. 6.—Revenue Working Expenses—Operating Staff—
Excess of Rs. 1,78,05,248 over Rs. 3,22,07,76,000.*

This Grant deals with the expenditure on operating staff employed in the Locomotive, Carriage and Wagon, Ferry, Steamers and Harbour Departments as well as the operating staff (including staff at stations) of the Traffic Signal and Tele-communication and Electric Traction Department.

The Excess of Rs. 1.78 crores is 0.55 per cent of the final grant of Rs. 322.08 crores voted by the Parliament. A Supplementary grant of Rs. 29.74 crores was obtained in March 1976 to meet expenditure on the additional dearness allowance sanctioned by the Government during the year, with retrospective effect, and the throw forward liability of Pay Commission's recommendations. The excess was shared by all the Railways except Central, Northeast Frontier and Western Railway was mainly due to more payment of additional dearness allowance sanctioned during the year than anticipated (85 lakhs) (includes inadequate provision made by Northern Railway 33 lakhs), payment of kilometrage and over time, city compensatory, house rent and night duty allowances (39 lakhs), implementation of the recommendations of Third Pay Commission 15 lakhs) and aggregate of other minor causes (39 lakhs).

After excluding the amount of misclassification, viz., Rs. 6,87,656 the excess actually requiring regularisation by Parliament works out

to Rs. 1,71,17,592. The excess works to 0.53 per cent in relation to the Voted Grant of Rs. 3,22,07,76,000.

Grant No. 7—Revenue-Operation (Fuel)—Excess of Rs. 6,55,62,946 over Rs. 2,62,51,35,000

This grant deals with expenditure on coal and other fuel, freight and handling charges, sales tax, excise duty and cess on coal and electric current for traction purposes.

The excess of Rs. 6.56 crores works out to 2.50 per cent of the final grant of Rs. 262.51 crores voted by Parliament. A supplementary grant of Rs. 15.36 crores was obtained in March, 1976 to meet expenditure due to enhancement in the prices of coal, diesel oil, revision of tariff by the State Electricity Boards and additional dearness allowance sanctioned by the Government during the year, with retrospective effect.

The excess of Rs. 6.56 crores was shared by all the Zonal Railways and occurred mainly due to more consumption of H.S.D. oil, owing *inter-alia*, to increase in Diesel traffic and increase in the price (2.14 crores), more payment of freight and handling charges including sea freight on fuel (1.61 crores) (includes Rs. 0.35 crore inadequate provision made by South Central Railway Administration), less receipt of credits on account of subsidy in respect of freight on sea borne coal (1.15 crores), increase in electric traction and revision of tariff by the State Electricity Boards (0.74 crore), increase in price of coal, owing, *inter-alia*, to more haulage of traffic under steam traction than anticipated (0.41 crore), more payment of sales tax, excise duty and cess on coal (0.14 crore) and aggregate of minor variations (0.37) crore).

After excluding the amount of misclassification *viz.*, Rs. 3,92,098, the excess actually requiring regularisation by Parliament comes to Rs. 651,70,848. The excess works out to 2.48 per cent in relation to the final grant of Rs. 2,62,51,35,000.

Voted Grant No. 8—Revenue-Working Expenses-Operation other than than staff and fuel—Excess of Rs. 952,52,809 over Rs. 88,36,72,000.

This grant deals with the operational expenditure on stationery, forms and tickets, handling collection and delivery of goods and expenses at out agencies, compensation for goods lost or damaged including amounts kept in suspense pending settlement of inter railway liability, electrical general services, clothing and stores etc.

The excess of Rs. 9.53 crores works out to 10.78 per cent of final grant of Rs. 88.37 crores voted by Parliament. Supplementary grant of Rs. 9.81 crores was taken under this grant in March, 1976 to meet the expenditure on additional dearness allowance sanctioned by the Government during the year with retrospective effect, revision of tariff for electricity supplied by State Electricity Boards, unusual increase in prices of lubricants grease, oil and tallow etc., supply of more uniforms to staff, clothing, stationery forms etc., increase in cost of printing of tickets, carriage of more revenue stores and miscellaneous other factors.

The excess was shared by all the Railways and occurred mainly due to increase in consumption of consumable stores, clothing, stationery etc. and receipt of more debits therefor (7.08 crores) (includes Rs. 0.74 crore inadequate provision made by South Central Railway Administration), more payment for electric energy due to increase in consumption (0.96 crore), more payment of compensation claims in respect of goods lost or damaged (0.94 crore), realisation of less credits on account of auction sales (0.55 crore) more debits in connection with missing wagons carrying Railways coal (0.50 crore) and aggregate of minor variation (0.46 crore); partly offset by fluctuation in adjustment through Stock Adjustment Account (0.96 crore).

After excluding the amount of misclassification viz. Rs. 2,07,007, the excess actually requiring regularisation by Parliament works out to Rs. 9,50,45,802. The excess works out to 10.76 per cent in relation to the final grant of Rs. 88,36,72,000.

Grant No. 9—Revenue—Working Expenses—Miscellaneous—Excess of Rs. 3,09,73,053 over Rs. 57,51,25,000.

This grant deals with the Government contribution and special contribution to Provident Funds, Contributions and Grants, compensation under Workman's Compensation Act, subsidy on railway grain-shop issues, departmental catering and other expenses such as law charges, revenue expenditure on civil defence etc. and certain revenue transactions under 'Suspense' (both credits and debits).

The excess of Rs. 3.10 crores works out to 5.38 per cent of the final grant of Rs. 57.51 crores voted by Parliament. A supplementary grant of Rs. 5.79 crores was obtain in March, 1976 to meet expenditure on payment of additional dearness allowance sanctioned by the Government during the year with retrospective effect, throw forward adjustments under the Suspense head 'Demand Payable', debits from

State Governments for expenditure incurred in connection with strike measures, more purchase of catering stores due to increase in catering sales, more payment to retired staff during the year, more payment of rent rates and taxes, implementation of revised pay scales of the Railway Protection Special Force personnel etc. The excess occurred on Eastern, North Eastern, Southern and South Eastern Railways and also under the sub-head 'Suspense'. It was mainly on account of the adjustment under 'Demands Payable' (2.64 crores), more adjustment of freight, handling and Indian charges on revenue stores (Rs. 1.78 crores), more payment of gratuity and special contribution to Provident Fund (Rs. 0.23 crore), more expenditure on catering as a result of more purchases (Rs. 0.21 crore), partly offset by less adjustment of expenditure in respect of Central Emergency Force and Territorial Army units (1.70 crores) and aggregate of minor variation (0.06 crores).

After including the amount of misclassification viz., Rs. 1,81,059, the excess actually requiring regularisation by Parliament works out to Rs. 3,11,54,112. The excess works out to 5.42 per cent in relation to the voted grant of Rs. 57,51,25,000.

Voted Grant No. 10—Working Expenses—Staff Welfare—Excess of Rs. 44,41,345 over Rs. 52,58,89,000

This grant deals with the expenditure on medical facilities, health and welfare services, educational assistance and training of staff, staff canteens and other staff amenities.

The excess of Rs. 0.44 crore is 0.84 per cent of the final grant of Rs. 52.59 crores voted by Parliament. A supplementary grant amounting to Rs. 5.64 crores was obtained in March, 1976 for payment of additional dearness allowance sanctioned by the Government during the year with retrospective effect, more reimbursement of tuition fees, increases in prices of medical stores and reimbursement of medical expenses, appointment of additional staff for medical and health departments.

The excess occurred on all the Railways except Central, Eastern and South Central due to certain expenditure booked under this grant as a result of change in classification (28 lakhs), receipt of more debits for medical stores and reimbursement of medical expenses than anticipated (Rs. 14 lakhs), non-payment of allowances as a result of revision of Pay and Allowances (Rs. 9 lakhs), more expenditure under Health and Welfare services (Rs. 8 lakhs), aggregate of other minor variations (Rs. 3 lakhs); partly offset by savings on account of less number of staff sent for training (Rs. 18 lakhs).

After including the amount of misclassification *viz.* Rs. 10,27,231, the excess actually requiring regularisation by Parliament works out to Rs. 54,63,576 which works out to 1.04 per cent in relation to voted grant of Rs. 52,58,89,000.

Grant No. 13—Open Line Works—Revenue—Excess of Rs. 11,71,840 over Rs. 7,50,29,000

This grant deals with the expenditure on works costing not more than Rs. 25 thousand each on staff welfare (such as hospitals, schools sports grounds, marketing facilities in railway colonies etc. and matching share capital contribution to the Railwaymen's Consumer Co-operative Societies) and unremunerative operating improvements estimated to cost not more than rupees three lakhs each and on new minor works *i.e.* works costing Rs. 25 thousand or less each, other than railway users' amenities.

The excess of Rs. 12 lakhs works out 1.56 per cent of the final grant of Rs. 7.50 crores voted by Parliament. The excess was shared by the Central, Eastern, Northern, North Eastern and Northeast Frontier Railways and occurred mainly due to more receipt of material, plant and machinery and debits thereof than anticipated.

After including the amount of misclassification *viz.* Rs. 30,280, the excess actually requiring regularisation by the Parliament works upto Rs. 12,02,120. The excess works out to 1.60 per cent in relation to the voted grant of Rs. 7,50,29,000.

Voted Grant No. 15—Open Line Works—Capital, DRF&DF—Excess of Rs. 45,56,69,304 over Rs. 9,85,78,58,000.

This grant deals with the expenditure on (i) additions to Railways assets like Rolling Stock, machinery and works and on transactions under Stores, Manufacture Suspense and Miscellaneous Advances (charged to capital) and replacement of assets charged to Depreciation Reserve Fund and Development Fund, expenditure on amenities for passengers and other Railway users, staff welfare works including cost of quarters of Class III and Class IV staff costing above Rs. 25000/- each and unremunerative operating improvement works costing more than Rs. 3 lakhs each.

The excess of Rs. 45.57 crores was 4.62 per cent of the final grant of Rs. 985.79 crores voted by the Parliament. Supplementary grant totalling Rs. 116.13 crores was taken during the course of the year mainly to cover expenditure on Rolling Stock due to the updating of transfer prices of locomotives and on the liquidation of throw-

forward debits from 1974-75, capitalisation of loco spares, and additional payments due to increased coach/wagon production during the year and on machinery and plant based on the latest delivery programme, speedier progress on certain works, more purchases of stores required for general purposes, increase in the prices of coal, diesel oil, steel and cement etc. and more payments to M/s. Bharat Heavy Electricals Ltd., for supply of traction equipment including escalation charges, additional dearness allowance sanctioned during the year with retrospective effect, higher repair and overhaul activity in workshops and consequent increase in the value of works in progress and of stores, and payments against shares issued by Rail India Technical and Economic Services Ltd.

The excess occurred on all Railways except Central Railway and on the Chittaranjan Locomotive Works; and this occurred under the following heads: —

- (a) *Rolling Stock (Excess of 4.92 crores)*. This was mainly due to more procurement of stock and debits thereof and more expenditure on rationalised construction programme.
- (b) *Works (Excess of 8.12 crores)*. This was chiefly due to more receipt of permanent way materials (6.22 crores) accelerated progress on certain works (1.19 crores) more receipt of machinery and debits thereof (0.69 crore) and aggregate of minor variations (0.14 crore); partly offset by savings due to less debits received from land acquisition authorities than anticipated (0.12 crore).
- (c) *(Stores Suspense (Excess of 22.18 crores)*. This was due chiefly to more receipt of stores and debits thereof (20.26 crores) (includes 2.00 crores inadequate provision made by Northern Railway Administration), more purchase of high speed diesel oil, coal and coke (4.97 crores), more receipt of stores returned from works (3.40 crores), fluctuations in adjustment through Stock Adjustment Account (2.97 crores), receipt of more manufactured materials from workshops (1.36 crores) and procurement of more engineering stores, spares for diesel locomotives etc. (1.25 crores) and aggregate of minor variations (0.22 crore); partly offset by more issues to Manufacturing Suspense (7.68 crores) and works (4.57 crores).
- (d) *Manufacturing Suspense (Excess 11.31 crores)*. This was due mainly to more drawal of stores from stock (7.69 crores), more direct purchase of stores (3.82 crores), more

production leading to a larger balance under W.M.S. (1.32 crores), less credit of material returned from works (0.74 crore) and aggregate of minor variations (0.47 crore); partly offset by more issues of manufactured materials to stock (1.36 crores) and Works (0.94 crore) and economy measures (0.43 crore).

(e) *Development Fund* (Excess 1.01 crores)

This was due to accelerated progress on certain works and procurement of more materials.

The above excesses were partly offset by savings under Miscellaneous Advance (1.97 crores) due mainly to non-adjustment of certain amounts consequent on revision of allotment of wheelsets and other components to the Railways.

After including the amount of misclassifications viz. Rs. 47,02,556, the excess actually requiring regularisation by Parliament works out to Rs. 46,03,71,860 which works out to 4.67 per cent in relation to the voted grant of Rs. 9,85,78,58,000.

Voted Grant No. 16—Pensionary Charges—Pension Fund—Excess of Rs. 4,22,16,919 over Rs. 26,03,99,000.

This grant deals with expenditure on payment of pensionary charges of Railway Staff covered by the pensionary form of retirement benefits.

The excess of Rs. 4.22 crores was 16.18 per cent of the final grant of Rs. 26.09 crores. A supplementary grant of Rs. 8.02 crores was obtained in March, 1976 to cover the increased payments expected to be made to staff who retire from Railway service under the pension system and also increases in the rate of pension and relief to pensioners on account of Third Pay Commission's recommendation.

The excess was shared by all the Indian Railways. There was however, saving under Miscellaneous Establishments and the Production Units. The excess occurred mainly due to more debits received from the Civil Accounts officers than anticipated (2.31 crores), more settlements of cases of death-cum-retirement gratuity (1.16 crores) of which Rs. 10.15 lakhs was on account of inadequate provision made by South Central Railway Administration, more payment of superannuation pension (0.60 crore) and family pension (0.20 crore); partly offset by aggregate of minor variation (0.05 crore).

There was no misclassification under this grant during the year and the excess to be regularised is 4,22,16,919 which amounts to 16.18 per cent in relation to voted grant of Rs. 26,08,99,000.

Grant No. 17—Payment of loans from General Revenues and Interest thereon—Development Fund—Excess of Rs. 2,66,136 over Rs. 7,30,63,000.

This grant deals with the repayment of loans and payments of interest on such loans taken temporarily from the General Revenues to finance the Development Fund, in accordance with the recommendations of Convention Committee.

The excess of Rs. 3 lakhs works out to 0.36 per cent of the final grant of Rs. 7.31 crores. A supplementary grant of Rs. 54 lakhs was taken in March, 1976 to meet the increased interest payment to General Revenues.

The excess occurred due to payment of more interest to General Revenues on account of more loan taken from General Revenues, during the year, as a result of non-materialisation of the budgetted surplus.

There is no misclassification under this grant. The excess actually requiring regularisation by Parliament is Rs. 2,66,136 which comes to 0.36 per cent in relation to the Voted grant of Rs. 7,30,63,000.

Grant No. 21—Appropriation to Accident Compensation Safety and Passenger Amenities Fund—Excess of Rs. 13,08,214 over Rs. 7,76,91,000.

This grant deals with the Appropriation to the fund based on receipts from surcharge levied on passenger traffic to cover the additional liability of the railways on Accident Compensation.

The excess of Rs. 13 lakhs comes to 1.68 per cent of the final grant of Rs. 7.77 lakhs voted by the Parliament. A supplementary grant of Rs. 24 lakhs was obtained in March, 1976 for appropriation to the Fund based on more receipts expected from surcharge on passenger traffic than anticipated initially during the year.

The excess was shared by Eastern, North Eastern, Northeast Frontier, South Eastern and Western Railway and was due mainly to the increased collection of surcharge as a result of increase in the passenger traffic.

There was no misclassification under this grant and the excess actually requiring regularisation by Parliament is Rs. 13,08,214 i.e. 1.68 per cent in relation to Voted Grant of Rs. 7,76,91,000.

Charged Appropriation No. 5—Repairs and Maintenance—Excess of Rs. 2,56,877 over Rs. 15,00,000.

This charged appropriation relates to payment arising from court decrees etc. in respect of staff engaged on repairs and maintenance of Railway assets, including track, buildings, rolling stock, ferries, electrical and signal equipments and installations, machinery etc.

The final appropriation comprised of the two supplementary appropriations of Rs. 14.57 lakhs one obtained in January '76 (Rs. 7.75 lakhs) and second in March '76 (6.82 lakhs) for payments arising out of court decrees. The actual expenditure on decretal payments however, exceeded the appropriation available by an amount of Rs. 2,56,877 representing an excess of 17.13 per cent over the final appropriation.

The excess occurred only on S. E. Railway.

There was no misclassification under this appropriation. The excess requiring regularisation works up to Rs. 2,56,877 in relation to the final appropriation of Rs. 15,00,000. The excess works out to 17.13 per cent over the final appropriation of Rs. 15,00,000.

2.73. The Committee find that excess expenditure occurred under 12 Voted Grants out of a total of 23 Voted Grants and under one Charged Appropriation out of a total of 12 Appropriations administered by the Ministry of Railways aggregating Rs. 85.79 crores. The percentage of real excess works out to 10.76 under Grant No. 8 and 16.18 under Grant No. 16. That the position should deteriorate to this extent after the year 1973-74 which did not witness any excesses, calls for concerted effort to indentify the reasons for deterioration with a view to adopting appropriate remedial measures.

2.74. The Committee note that the excess expenditure under Grant No. 15—Open Line Works—Capital, Depreciation Reserve Fund and Development Fund, has almost become a recurring feature. In 1975-76, the excess expenditure was Rs. 46.04 crores against Rs. 16.79 crores incurred during 1974-75. There was also considerable excess of Rs. 9.24 crores under this Grant in 1972-73. The excess during 1975-76 occurred on all the Railways except Central Railway and on the Chittaranjan Locomotive Works. The Committee find from the note dated 15-3-77 that the Railway

Administration had brought the Committee's recommendations contained in paragraphs 2.45 and 2.46 of their 227th Report (5th Lok Sabha) to the notice of the General Managers of the Zonal Railways and Production Units, for a thorough scrutiny of the reasons for the deterioration in the position of excesses during the year 1974-75 and for exercising greater care in future in estimating their requirements and for framing their budget proposals realistically. The Committee trust that the improvements effected would be reflected in the future Appropriation Accounts.

2.75. Subject to the above observations contained in the preceding paragraphs of this Report, the Committee recommend that the excess expenditure referred to in paragraph 2.1 of the Report be regularised in the manner prescribed in Article 115 of the Constitution of India.

CHAPTER III

REVIEW OF ACTION TAKEN BY GOVERNMENT ON THE RECOMMENDATIONS OF THE PUBLIC ACCOUNTS COMMITTEE CONTAINED IN THEIR 227TH REPORT (FIFTH LOK SABHA) ON EXCESSES OVER VOTED GRANTS AND CHARGED APPROPRIATIONS FOR THE YEAR 1974-75.

3.1. The 227th Report (Fifth Lok Sabha) of the Public Accounts Committee on Excesses over Voted Grants and Charged Appropriations disclosed in the Appropriation Accounts for the year 1974-75 was presented to the Lok Sabha on 31 August, 1976. Action Taken Notes on all the 21 recommendations/observations contained in the Report, with the exception of one recommendation, have been received from Government and are reproduced in Appendix XXXVI. Two of the recommendations concerned all Ministries (cf. paragraphs 2.2 and 2.48).

3.2. The Action Taken Notes received from Government* have been broadly categorised as follows:

(i) Recommendations/observations that have been accepted by Government:

Sl Nos. 1, 2, 4, 6, 7, 8, 9, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21,

(ii) Recommendations/observations which the Committee do not desire to pursue in view of the replies of Government.

Sl. Nos. 5 and 10.

(iii) Recommendations/observations replies to which have not been accepted by the Committee and which require reiteration:

Nil

(iv) Recommendations/observations in respect of which Government have furnished interim replies:

Sl. No. 3

*Notes of S.Nos 1, 2, 6-9, 18 and 19 have not been vetted by Audit.

3.3. In accordance with the time schedule prescribed by the Committee in their 5th Report (4th Lok Sabha), notes on the Action Taken by Government on the recommendations/observations contained in the Committee's 227th Report were required to be furnished by the concerned Ministries/Departments latest by 28 February, 1977. An analysis of the receipt of Action Taken Notes (in some cases from more than one Ministry) however discloses the following position:

Number of Notes received by due date	25
Number of Notes received by the end of May 1977	5
Number of Notes not received by the end of June 1977	

3.4. The following Table indicates the comparative position in this regard as disclosed in the Reports on Excesses over Voted Grants and Charged Appropriations for the years 1969-70 to 1974-75:

Report to which Notes relate	No. of Notes received by due date	No. of Note received after due date and extent of delay		
		Upto 3 months	3 to 6 months	More than 6 months
29th Report (5LS)	15	3	..	..
49th Report (5 LS)	20	11	12	..
96th Report (5 LS) . . . . .	..	..	..	..
134th Report (5 LS)	8	9	25	..
180th Report (5 LS)	14	13	4	1
227th Report (5 LS)	25	5	..	1

3.5. Commenting on the delays in the submission of the Action Taken Notes on the recommendations/observations contained in their 180th Report (Fifth Lok Sabha), the Public Accounts Committee (1976-77) had in paragraph 3.13 of their 227th Report (5th Lok Sabha) observed:

“The Committee have been emphasising, year after year, the need for ensuring that their recommendations receive prompt attention, and also for scrupulously observing the time-schedule prescribed in their 5th Report

(Fourth Lok Sabha) for the furnishing of Action Taken Notes to the Committee. Though there has been no dearth of instructions in this regard, in pursuance of the Committee's earlier recommendations on the subject, the position still continues to be far from satisfactory, and unconscionable delays continue to recur. Despite many adverse comments by the Committee, only 14 Action Taken Notes relevant to the Committee's recommendations/observations contained in their 180th Report (Fifth Lok Sabha) were received by the due date, 6 February, 1976. While the delay was of the order of about a month in 5 cases, 8 Notes had been received after a delay of two months. Two Notes relating to the Department of Social Welfare were received only on 19 June, 1976, after a delay of about 4/1-2 months, and two other Notes relating to the Ministry of Works & Housing on 5 July, 1976, after a lapse of five months. The Note in regard to the Action Taken by the Ministry of Shipping and Transport on the Committee's recommendation contained in paragraph 2.10 of the Report was received only as late as 12 August, 1976, after a delay of more than six months. This, in the opinion of the Committee, is an entirely un-warranted proceeding. Given the will and with a little effort, it should be possible for the Ministries/Departments to furnish the Action Taken Notes in much quicker time in any case, save in exceptional circumstances, within the prescribed period of six months from the presentation of the report to the House."

3.6. Expressing their happiness at certain institutional arrangements having been devised by the Department of Expenditure to monitor the timely submission of Action Taken Notes on their recommendations, the Committee had further gone on record to observe in para 3.14 of the 227th Report as follows:

"The Committee are happy to note that certain institutional arrangements have now been devised, though belatedly, by the Department of Expenditure to monitor the timely submission of Action Taken Notes on the Committee's recommendations and that the Integrated Financial Adviser/Internal Financial Adviser in each Ministry has been made responsible for examining the reports of the Committee and for coordinating and monitoring the expedi-

tious submission of the Action Taken Notes thereon to the Committee. It is also gratifying that a Monitoring Cell has been set up in the Department of Expenditure as the 'focal point' for the Government as a whole to coordinate the progress in this regard and monitor delays with the Ministries concerned. The Committee trust that the Finance Ministry would discharge its 'nodal responsibility' in this regard effectively and also investigate the reasons for the delays in the submission of the Action Taken Notes on the 180th Report (Fifth Lok Sabha). The Committee would, in particular, like the delays that have taken place in the Department of Social Welfare and the Ministry of Works and Housing to be examined in detail, with a view to taking appropriate disciplinary or other action as may be called for."

3.7. The Committee find that while 25 Action Taken Notes were received by the due date i.e. 28 February, 1977 five notes were received upto 3 months after the due date. There was delay of the order of about a month in three cases. Two Notes were received in April 1977. Of these, one pertaining to the Ministry of Home Affairs was received on 14 April, 1977 whereas the other draft Note *from the Ministry of Defence was received on 26 April, 1977**. Yet another note from the Ministry of Works and Housing was received at the end of May 1977. In one case, pertaining to the Ministry of Finance (Department of Expenditure), Action Taken Note has not yet been finalised by them. The Committee take a serious view of the persistent delay taking place in the submission of Action Taken Notes and would like to be apprised of the measures contemplated by the Ministry of Finance to ensure that final Action Taken Notes on the Committee's recommendations are invariably furnished to them within the stipulated time limit of six months.

3.8. In reply to quite a few recommendations (cf Sl. Nos. 1, 2, 7 and 16), it has generally been indicated that with the introduction of the schemes of Integrated Financial Advisers and Separation of Accounts from Audit and the introduction of departmentalised accounting system, it was hoped that greater post-budget vigilance would be exercised by the Ministries for effective control over expenditure. The Committee would like Government to make a periodical analysis of the position in regard to excess grants obtaining prior to and after the introduction of the scheme of separation

*Not vetted by Audit.

**Vetted note received on 2-9-77.

of Accounts from Audit and also the extent of improvement brought about as a result thereof. The impact of the move so implemented should be reflected in the Appropriation Accounts of the current financial year.

3.9. The Committee would like that final replies to the recommendations on which interim replies have so far been sent are furnished to them, duly vetted by Audit, without further delay.

3.10. The Committee will now deal with the Action Taken by Government on the following recommendation/observation contained in the 227th Report (5th Lok Sabha).

Delay in streamlining budgetary procedures

3.11. In response to the earlier observations of the Public Accounts Committee (1972-73) contained in paragraph 1.3 of their 39th Report (Fifth Lok Sabha), Government had constituted a Task Force to have a detailed analysis made of the various procedures for expenditure control *vis-a-vis* the functioning of the system of internal financial control and to suggest to Government remedial measures to improve the budgetary system. The Committee had then desired *inter alia* in paragraph 1.6 of their 96th Report (Fifth Lok Sabha) that the matter should be examined expeditiously and remedial measures taken. Subsequently, in March 1974, the Committee were informed that the Task Force had suggested certain procedural changes in respect of certain grants which were under examination and that appropriate action would be taken in consultation with the Comptroller and Auditor General wherever necessary.

3.12. Commenting on the delay in the examination of the suggestions of the Task Force, the Public Accounts Committee (1975-76) observed as follows in paragraph 1.10 of their 180th Report (Fifth Lok Sabha):

"The Committee regret that the procedural changes in respect of certain grants suggested by a Task Force constituted in pursuance of the observations of the Committee contained in paragraph 1.3 of their 49th Report (Fifth Lok Sabha) are still under examination, even though almost three years have elapsed since the Committee made their earlier recommendation. The Committee attach considerable importance to this recommendation of theirs and desire that final action on the

suggestions made by the Task Force be initiated without further loss of time and concrete steps taken to ensure sounder budgetary control than what exist at present, particularly in certain Ministries such as the Ministry of Works and Housing, Ministry of Shipping and Transport and the Ministry of Home Affairs".

3.13. The Ministry of Finance (Department of Expenditure) while furnishing the Action Taken Note on 7 February, 1976 in regard to the above observations of the Committee had indicated the latest position of the action taken on the suggestions as follows:

(i) *Expenditure on National Highways:*

The matter is at present under consideration of the Office of the Comptroller and Auditor General of India.

(ii) *Coordination of estimates in respect of Area Demands:*

It has been decided that coordination of estimates in respect of Area Demands would be done by Delhi State Division of the Department of Expenditure in respect of 'Delhi' and by Budget Division in the Department of Economic Affairs in respect of other Area Demands.

(iii) *Net budgeting of works expenditure:*

The matter is under further examination with reference to the views of the Comptroller & Auditor General.

(iv) *Provision for interest payments:*

The recommendation was that in case of provision for interest charges in cases like Provident Fund, Reserve Fund etc., the interest for a financial year may be calculated and credited on the basis of balance during a 12 months period different from the financial year, say July to June. This recommendation has been examined on the basis of actual expenditure under 'Interest' relating to the five years from 1969-70, and the conclusion arrived at is that the trend indicated by the examination would not justify introduction of such radical changes and that it is not worthwhile pursuing this particular recommendation."

3.14. Expressing their concern over the delay in the implementation of the suggestions for procedural changes in certain grants

made by the Task Force, the Public Accounts Committee (1976-77), in paragraph 1.14 of their 227th Report (Fifth Lok Sabha) stressed that finality should be soon reached in this matter of importance and observed:

"The Committee are perturbed that the suggestions for procedural changes in certain grants made by a Task Force, constituted nearly four years ago, in pursuance of the Committee's recommendation contained in paragraph 1.3 of their 49th Report (Fifth Lok Sabha), to analyse in detail the effectiveness of the various procedures for expenditure control, *vis-a-vis* the functioning of the system of internal financial control, still await being implemented. In spite of repeated exhortations by the Committee for an expeditious examination of these suggestions, there has been no decision yet in this regard though the report of the Task Force was available more than two years ago. The Committee stress that finality should be soon reached in this matter of importance and concrete steps should be taken to ensure sounder budgetary control than what exists at present."

3.15. The Committee have *inter alia* been informed by the Ministry of Finance (Department of Expenditure) *vide* O.M. No. F.23(38)-E(Cord)/76 dt. the 31 May, 1977 that issues involved in the examination of the suggestions of the Task Force would require some more time before Action Taken Note could be finalised. However, the Committee were informed earlier on 24 March, 1977 of the progress in regard to the remaining two suggestions of the Task Force in the following words:

"(i) *Expenditure on National Highways:*

The legal aspects involved were last considered in an inter-departmental meeting held in August 1976, attended by Secretary Department of Legal Affairs, Secretary, Ministry of Shipping and Transport and the representative of the Department of Economic Affairs. Subsequently, the matter was considered further in the light of certain observations made by the Comptroller and Auditor General of India and it was proposed to refer the case to the Attorney General for his opinion. A draft statement of the case is being finalised for the purpose in consultation with the Com-

ptroller and Auditor General. Further action will be taken in the light of the opinion of the Attorney General on the constitutional and legal points involved.

(ii) *Net budgeting of works expenditure:*

The matter is awaiting discussion by the Controller General of Accounts with the Comptroller and Auditor General. This is expected to take place shortly. Further action will be taken in the light of the conclusions arrived at during the said discussion. The concerned authorities have been requested to take further necessary action on top priority basis. The final decisions of the Government would be communicated to the Lok Sabha Secretariat as soon as arrived at."

3.16. On 5 May, 1977, the Ministry of Finance (Department of Expenditure) furnished a copy of UO Note No. 490-REP(C)/443-76 dated 15 April, 1977 received by them from the Joint Director, Office of the Comptroller and Auditor General of India, contents of which are reproduced below:

"The Ministry of Finance, Department of Expenditure may kindly refer to its O.M. No. F.12(38)-E(Coord)/76 dated 24 March, 1977 on the subject mentioned above.

/As regards national highways, in the d.o. letter No. 1786/AC/192-71 dated 17 August, 1976 from Shri Bhar, the then Dy. Comptroller & Auditor General to the Secretary, Ministry of Transport it was suggested that it would be worthwhile to seek the opinion of the Attorney General in the matter. The Ministry of Shipping and Transport had informed us in Shri Datar's d.o. No. PPAO/2(3)/99 dt. 14th September, 1976 that a reference to the Attorney General had been made and his opinion was awaited. On 30 September, 1976 we requested the Ministry of Shipping and Transport to send us a copy of the statement of the case actually referred to the Attorney General. Thereafter we were informed by that Ministry on 16 October, 1976 in Shri Datar's d.o. letter No. PPAO/2(3)/76/174 dt. 16 October, 1976 that the reference to the Attorney General had not taken final shape and that the statement of the case would be shown to us as soon as it was ready. It has also been mentioned in the note submitted to the Public Accounts Committee that the draft statement of the case is yet to be finalised. The draft statement of the case has, however, been sent to

this office in the meantime on 4 April 1977 (received on 7 April 1977). In view of the above position it is requested that the second and third sentences of item (i) of the action taken note which relates to national highways may be revised as follows:—

'Subsequently, the matter was considered in the light of certain observations made by the office of the Comptroller & Auditor General and, as advised by that office on 17 August 1976, it was proposed to refer the case to the Attorney General for his opinion. A draft statement of the case has been finalised for submission to the Attorney General and has been sent to the office of the Comptroller and Auditor General on 4 April, 1977 for comments, if any.'

In item (ii) of the action taken note mentioned above it may please be brought out that our opinion about net budgeting for "Stores Suspense" was intimated to the Ministry of Finance on 29 October 1976 when certain points were expressed by that Ministry in May 1976. It may also be pointed out in this connection that the Controller General of Accounts has not yet approached the Comptroller and Auditor General for a discussion. It would not, therefore, be correct to say at this stage that the matter is awaiting discussion by the Controller General of Accounts with the Comptroller and Auditor General. The action taken note may be modified accordingly.

According to the existing procedure the draft note on any recommendation of the Public Accounts Committee is to be sent for vetting to the Principal Audit Officer i.e., Accountant General, Central Revenues in this case."

3.17. The Committee have further been informed of the latest position as under in respect of the two pending recommendations of the Task Force referred to in para 1.14 of the 227th Report (1976-77) of the Public Accounts Committee, *vide* their O.M. No. F.5/21/76/IFA dated 29 August 1977:—

"(i) Expenditure on National Highways

The opinion of the Comptroller and Auditor General on the draft statement of the case for submission to the Attorney General is awaited.

(ii) Net Budgeting of works expenditure

The Ministry of Works and Housing is examining the case in consultation with their technical officers."

In regard to (i) above, the Committee were informed on 15-10-1977 by the Office of the Comptroller and Auditor General that the matter was proposed to be discussed shortly in an inter-departmental meeting of the Ministries of Transport and Shipping, and Law and the Office of the Comptroller and Auditor General before finalisation of the statement of the case for submission to the Attorney General.

3.18. The Committee are once again constrained to observe that inspite of repeated recommendations by them for an expeditious examination of the suggestions made by the Task Force over 3 years back, no finality has yet been reached in this matter of importance, with the result that excess expenditure mainly in the grant relating to the maintenance of national highways has become a recurring feature over years. Surprisingly, the excesses under the head 'A.2(1)-Maintenance of National Highways' during the year 1975-76 were as high as Rs. 2,57,35,778. In their explanatory note, the Ministry of Shipping and Transport (Roads Wing) have indicated that 'the excess was mainly due to extensive repair works undertaken on the national highways damaged by heavy rains in various parts of the country and increase in cost of material and labour for maintenance works as compared to the norms prescribed by the Central Government.' The maintenance and repair works were undertaken by the various State Governments who are the executing agencies of the Central Government for the development and maintenance of National Highways.

3.19. The Committee would, urge that final action on the recommendations specially aimed at streamlining budgetary procedures be initiated without further loss of time so as to ensure sounder budgetary control than what exists at present, particularly in respect of certain grants administered by the Ministry of Shipping and Transport. The Committee have also dealt with particular excesses relating to the grant 'Maintenance of National Highways' that occurred during 1975-76 separately in Chapter II of this Report.

NEW DELHI;
October 17, 1977.

Asvina 25, 1899 (S)

C. M. STEPHEN,
Chairman.
Public Accounts Committee.

APPENDICES

APPENDICES I TO XXXV

(Vide Para 1.3 of the Report)

Explanatory Notes received from various Ministries/Departments on the Excesses over Voted Grants and Charged Appropriations disclosed in the Appropriation Accounts for the year 1975-76.

* * * *

APPENDIX I

MINISTRY OF AGRICULTURE & IRRIGATION

(Department of Agriculture)

Grant No. 1: Department of Agriculture

The Appropriation Accounts (Civil) for the year 1975-76 have disclosed an excess of Rs. 4,67,739/- over the Voted Grant No. 1-Department of Agriculture in the Revenue Section as indicated below:—

	Rs.
Original Grant	1,81,93,000
Supplementary Grant	10,00,000
Final Grant	1,91,93,000
Actual Expenditure	1,96,60,739
Excess	4,67,739

The grant provides for expenditure on the Secretariat of the Department and other Miscellaneous Organisations, i.e., Agricultural Counsellor, Embassy of India, Rome, and Zoological Park, Delhi. As against the final grant of Rs. 1,91,93,000, the actual expenditure amounted to Rs. 1,96,60,739 leading to an uncovered excess of Rs. 4,67,739 as indicated below:—

Major Head & Group Head	Final Grant	Actual Expenditure	Excess (+) Saving (—)
	Rs.	Rs.	Rs.
Major Head "296" A-1 Secretariat	1,61,64,000	1,64,20,976	(+)2,56,976
A-2(i) Counsellor (Agri) Embassy of India, Rome	2,50,000	4,60,954	(+)2,10,954
Major Head "295" B. 1(i) Zoological Park, Delhi	27,79,000	27,78,809	(—)191
TOTAL	1,91,93,000	1,96,60,739	(+)4,67,739

A-1-Secretariat

The excess is mainly due to:

- (i) More tours undertaken than anticipated in connection with the implementation of the various developmental agricultural schemes.

- (ii) Increased number of deputations/delegations abroad.
- (iii) Increased payment to the daily-rated coolies on account of the upward revision of daily wages.
- (iv) Unforeseen payment to a lawyer on account of legal fee.
- (v) Unanticipated adjustment of Rs. 1.60 lakhs in March Supplementary Accounts.

A-2(1) Counsellor (Agri) Embassy of India, Rome.

The excess under the above sub-head may be accounted for due to:—

- (i) Payment of transfer travelling expenses including customs duty advance to Counsellor (Agri.) on his transfer from Rome to India, grant of leave salary to him and sanction of tours to New York, Khartoum and Geneva.
- (ii) Emergency passages availed by Technical Assistant and his wife to India.
- (iii) Higher medical charges.
- (iv) Increase in rent of buildings.
- (v) General rise in prices in Italy.

Taking into consideration the trend of expenditure and anticipated liabilities, the Revised Estimates for Grant No. 1-Department of Agriculture were placed at Rs. 1,96,84,000/- against the Budget Estimates of Rs. 1,81,93,000/- for the year 1975-76. The Revised Estimates exceeded the Budget Estimates by Rs. 14.91 lakhs. A supplementary demand of Rs. 10.00 lakhs was obtained during the year and it was expected that the balance of Rs. 4.91 lakhs could be met out of the savings within the grant. Unfortunately, the savings did not materialise to this extent in this grant. Further, the adjustment of Rs. 1.60 lakhs was carried out by the Pay & Accounts Officer, Department of Food, in March Supplementary Accounts and as such no supplementary demand was possible at that stage. This resulted in an excess over the grant to the extent of Rs. 4,67,739/-, requiring regularisation by Parliament.

The net excess of Rs. 4,67,739/- over the sanctioned grant may kindly be recommended for regularisation by Parliament under Article 115(1) (b) of the Constitution.

The Note has been vetted by Audit.

APPENDIX II

MINISTRY OF AGRICULTURE

(Department of Agricultural Research & Education)

INDIAN COUNCIL OF AGRICULTURAL RESEARCH

Grant No. 9—Payment to Indian Council of Agricultural Research

Total Grant		Actual Expenditure	Excess (+) Saving(—)
Revenue:	Rs.	Rs.	Rs.
Voted:	39,35,99,000	39,35,99,536	(+)536

NOTES AND COMMENTS:

Against the budget provision of Rs. 39,35,99,000, the expenditure was to the tune of Rs. 39,35,99,536 during the year 1975-76. The excess of Rs. 536/- was due to the drawal of actual amount realised as Cess during 1975-76 in accordance with the provisions of the Agricultural Produce Cess Act, 1940.

2. With a view to making better financial provision for carrying out the activities of the I.C.A.R., a cess by way of customs duty on export of certain articles has been imposed under this act, the proceeds of which are to be paid to the Council.

3. Cess is originally collected by the Collectors of Customs and Central Excise and is credited to the Consolidated Fund of India. The cess realised reduced by the cost of collection as determined by the Central Government is paid quarterly to the ICAR. A monthly statement of the collections made is sent by the Collectors to the Ministry of Finance (now Department of Revenue & Banking) and the ICAR. Based on this statement, the ICAR claims the net proceeds from Government of India.

4. During the year 1975-76 a sum of Rs. 1,71,64,536.43 paise was paid to the ICAR on account of 'Payment of net proceeds of Cess

under A.P. Cess Act, 1940. The details of actual amount paid to the Council quarter-wise are as follows: —

	Rs.
1st Quarter ending	40,07,772 30
2nd Quarter ending	40,43,335 79
3rd Quarter ending	40,48,793 30
4th Quarter ending	50,64,635 04
	<u>1,71,64,536 43</u>

In the sanctioned budget of Rs. 39,35,99,000 for 1975-76 provision under the relevant Sub-head for payment of Cess was rounded to Rs. 1,71,64,000. As the actual collections were to be paid to the ICAR, it resulted in a marginal excess of Rs. 536/- only which requires regularisation under Article 115(1) (b) of the Constitution.

The Note has been vetted by Audit.

APPENDIX III
MINISTRY OF ENERGY
(Department of Coal)

Grant No. 29.—Coal and Lignite for the year 1975-76

	(Amounts in Rupees)
Original Grant	2,31,92,01,000
Supplementary Grant	70,68,91,000
Final Grant	3,02,60,92,000
Actual Expenditure	3,23,10,45,499
Excess	20,49,53,499

2. The original Grant of Rs. 2,31,92.01.000 was augmented by Supplementary Grants of Rs. 35,00,00,000 in July 1975, Rs. 4.50,00,000 in January 1976, and Rs. 31,18.91,000 in March, 1976. Against the final Grant of Rs. 3,02,60,92,000, the actual expenditure, however, amounted to Rs. 3,23,10,45,499 thereby leaving an uncovered excess of Rs. 20,49,53,499.

3. The excess of Rs. 20,49,53,499 resulted mainly on account of excess of Rs. 20,97,00,000 under the Sub-head AA. 1(1)—Investment in Neyveli Lignite Corporation. The excess under this Sub-head occurred because of adjustment, in the accounts for 1975-76, of the amount of Rs. 20,97,00,000 representing conversion of loans into equity provided for in 1972-73 through a supplementary Grant in March, 1973. Pursuant to this, the sanction for investment of Rs. 20,97,00,000 by conversion of past loans to the Neyveli Lignite Corporation, was issued on 28th March, 1973; the Corporation also issued the requisite equity shares to the Government against this investment. However, the transaction was accounted for only in 1975-76 instead of in 1972-73 resulting in an excess of Rs. 20,97,00,000 under the aforesaid Sub-head; in the account for 1972-73, because of the non-accounting of the said investment, saving of a corresponding amount had occurred. Taking into account savings under other sub-heads, the net excess amounted to Rs. 20,49,53,499.

4. Since the excess has resulted exclusively from an accounting omission in 1972-73 of an amount for which a specific Supplementary Grant was voted by the Parliament in March 1973, the excess does not require regularisation in terms of paragraph 4.26 of the 45th Report of the Public Accounts Committee (Third Lok Sabha), 1965-66.

5. This note has been seen by Audit.

APPENDIX IV

DEPARTMENT OF REVENUE AND BANKING

Grant No. 34—Taxes on Income, Estate Duty, Wealth Tax and Gift Tax'

	Rs.
Original Grant	35,33,38,000
Supplementary Grant	6,66,74,000
Final Grant	42,00,12,000
Actual Expenditure	42,12,80,390
Excess	12,68,390

The original provision of Rs. 35,33,38,000 in the voted section of the Grant was augmented by a Supplementary Grant of Rs. 6,66,74,000 obtained in March, 1976. Against the final grant of Rs. 42,00,12,000 the actual expenditure booked, however, amounted to Rs. 42,12,80,390 leaving an uncovered excess of Rs. 12,68,390.

The excess occurred mainly by under heads 'A. 1(1)—Investigation' and 'A. 2(1)—Commissioners and their offices'. The excess under head 'A. 1(1)—Investigation' was caused by an unforeseen increase in expenditure on payment of reward to employees equal to their one month's basic pay granted in recognition of the success of the Voluntary Disclosures Scheme, increase in the cost of various stores purchased, etc. The excess under 'A. 2 (1)—Commissioners and their offices' was mainly due to the fact that the supplementary grant obtained to meet the additional instalments of dearness allowance sanctioned in September, 1975 did not adequately cover the arrears relating to the period ending 31st August, 1975 which were not payable in cash but were to be credited to the Compulsory Deposit Account and the General Provident Fund Account of the employees.

This excess, which constitutes only 0.3 per cent of the total final grant, may kindly be recommended for regularisation by the Parliament under article 115(1)(b) of the Constitution of India.

This note has been vetted by Audit.

APPENDIX V

MINISTRY OF FINANCE

(Department of Economic Affairs)

Grant No. 37—Currency, Coinage and Mint.

<i>Revenue Section—Voted</i>	Figures in Rupees
Original Grant	35,17,17,000
Supplementary Grant	8,80,68,000
Final Grant	43,97,85,000
Actual Expenditure	44,13,08,530
Excess	15,23,530

In the Revenue Section the original provision of Rs. 35,17,17,000 was augmented by a Supplementary Grant of Rs. 8,80,68,000 obtained in March, 1976. Against a final grant of Rs. 43,97,85,000 the expenditure actually booked, however, amounted to Rs. 44,13,08,530 leaving an uncovered excess of Rs. 15,23,530.

The excess occurred *inter alia* under head "A. 4—Loss on Coinage—A. 4(1)—Loss on destruction of withdrawn coins". The Difference between the face value of uncurrent and withdrawn coins, received from banks and treasuries, and the metal value thereof at the current rates is accounted for under this head. The excess was on account of receipt of larger numbers of coins for destruction than anticipated at the time the supplementary grants were finalised.

This excess, which constitutes only 0.3 per cent of the total final grant, may kindly be recommended for regularisation by the Parliament, under article 115(1)(b) of the Constitution of India.

This Note has been vetted by Audit.

APPENDIX VI
MINISTRY OF FINANCE
 (Department of Economic Affairs)
 Grant No. 38—Pensions

<i>Revenue Section—Voted</i>	Figures in Rupees
Original Grant	22,60,00,000
Supplementary Grant	3,00,00,000
Final Grant	25,60,00,000
Actual Expenditure	26,91,86,429
Excess	1,31,86,429

The Original Grant of Rs. 22,60,00,000 was augmented by obtaining a Supplementary Grant of Rs. 3,00,00,000 in March, 1976. Against the final Grant of Rs. 25,60,00,000, however, the actual expenditure amounted to Rs. 26,91,86,429 resulting in an excess of Rs. 1,31,86,429. The excess which is the net result of excesses and savings under the various sub-heads of the Grant, occurred mainly under the following sub-heads:—

	A.2.—Com- muted Value of Pensions: A.2(1)—Or- dinary Pensions	A.4.— Gratuities	A.5.—Family Pensions
Original Grant	1,01,45,000	3,51,06,000	1,34,46,000
Supplementary Grant	1,00,00,000	1,25,00,000	..
Final Grant	2,01,45,000	4,76,06,000	1,34,46,000
Actual Expenditure	2,41,49,212	6,37,75,861	1,85,58,684
Excess	40,04,212	1,61,69,861	51,12,684

The above excesses amounting to Rs. 2,52,86,757 were met to a large extent from savings under other sub-heads leaving an uncovered excess of Rs. 1,31,86,429.

2. While the Grant is controlled by the Ministry of Finance, pension payments are arranged and accounted for by the Accounts Officers. The quantum of actual payments during a financial year depends, *inter alia*, on the number of retirements, requests for commutation of pensions, deaths of pensioners, etc., which are not susceptible of precise estimation. At the time of review of the Grant in March 1976 the requirements then estimated by the accounting authorities were taken into account and a Supplementary Grant of Rs. 3,00,00,000 was obtained. But this fell short of the final requirements by Rs. 1,31,86,429.

3. In view of the circumstances explained above the excess of Rs. 1,31,86,429 may kindly be recommended for regularisation by Parliament under Article 115(1)(b) of the Constitution.

4. This note has been seen by Audit.

APPENDIX VII

(Department of Revenue and Banking)

Grant No: '39—Opium and Alkaloid Factories' for 1975-76.

<i>Revenue Section—Voted</i>	Figures in Rupees
Original Grant	17,49,24,000
Supplementary Grant	3,10,60,000
Total Grant	20,59,84,000
Actual Expenditure	21,72,83,534
Excess	1,12,99,534

In the Revenue Section of the Grant the original provision of Rs. 17,49,24,000 was augmented by a Supplementary Grant of Rs. 3,10,60,000 (Voted) obtained in March, 1976. Against a final grant of Rs. 20,59,84,000 the expenditure actually booked, however, amounted to Rs. 21,72,83,534 leaving an uncovered excess of Rs. 1,12,99,534.

Of this excess of Rs. 1,12,99,534, Rs. 81,57,459 is the result of double adjustment of expenditure on certain purchases of opium for the factory at Neemuch and the Accountant General in whose books it was erroneously adjusted could not rectify it before the close of the accounts for 1975-76. This part of the excess which was due to misclassification in the accounts would not seem to require regularisation on the analogy of the recommendations in paragraph 7 of the 16th Report of the Public Accounts Committee (First Lok Sabha).

The remaining excess of Rs. 31,42,075 is mainly due to adjustment of debits on account of customs duty on Codeine Phosphate imported during the later part of 1975-76. No provision on this

account was made in 1975-76 as it was expected, on the basis of past practice, that the debits might not be adjusted in that year itself. These were, however, adjusted in the closing batch of the accounts for 1975-76 resulting in an excess.

This excess of Rs. 31,42,075 may kindly be recommended for regularisation by the Parliament under article 115(1)(b) of the Constitution of India.

This note has been vetted by Audit.

APPENDIX VIII
MINISTRY OF FINANCE
 (Department of Economic Affairs)
 (Budget Division)

Appropriation: "Interest Payments"

<i>Charged Appropriation</i>	Figures in Rupees
Original Appropriation	1187,84,19,000
Supplementary Appropriation	32,97,97,000
Final Apprpriation	1220,82,16,000
Actual Expenditure	1228,16,01,152
Excess	7,33,85,152

The Appropriation covers provision for interest charges on the entire debt of the Government of India (both internal and external) including interest on depreciation and other reserve funds of Government commercial departments. The expenditure is 'charged' on the Consolidated Fund of India in accordance with Clause (c) of Article 112(3) of the Constitution of India.

The original provision of Rs. 1187,84.19.000 was augmented by obtaining a Supplementary Appropriation of Rs. 32,97,97,000 in March, 1976 session of Parliament. The actual expenditure, however, turned out to be Rs. 1228,16,01,152 resulting in exceeding the sanctioned provision by Rs. 7,33,85,152. The excess, which is less than one per cent of the total sanctioned provision, occurred *inter alia* under the following heads:—

Sub head	Total sanctioned Appropriation	Actual Expenditure	Excess
A.2(2)—Interest on loans from Govt. of U.S.A.	41,70,91,000	44,29,33,069	2,58,42,069
A.2(4)—Interest on loans from Govt. of Canada	4,29,79,000	6,48,69,817	2,18,90,817
A.2(22)—Interest on loans from Exim Bank, Japan	26,89,70,000	32,05,00,589	5,15,30,589
			9,92,63,475

The above excess of Rs. 9,92,63,475 was partly offset by savings under other heads within the Appropriation leaving an uncovered excess of Rs. 7,33,85,152.

The excess under these heads occurred mainly due to adjustments in the accounts for 1975-76, of certain expenditure incurred, in earlier years on payment of interest. Since these adjustments, leading to the excesses, were carried out after 31st March, 1976, no action could be taken to cover these excesses either by obtaining a Supplementary Appropriation or an advance from the Contingency Fund before 31st March, 1976. Steps have, however, been taken to ensure timely reconciliation of departmental figures with the figures booked in accounts. With the departmentalisation of Accounts, it is hoped that such excesses will not recur.

The recommendation of the Public Accounts Committee is sought to the regularisation of excess of Rs. 7,33,85,152 under Article 115(1)(b) of the Constitution.

This has been vetted by Audit.

APPENDIX IX

MINISTRY OF FINANCE

(Department of Economic Affairs)

(Budget Division)

Grant No. 41: Other Expenditure of the Ministry of Finance.

<i>Revenue Section—Voted</i>	Figures in Rupees
Original Grant	36,51,38,000
Supplementary Grant	52,74,44,000
Final Grant	89,25,82,000
Actual Expenditure	90,89,66,851
Excess	1,63,84,851

The Original Grant of Rs. 3651.38 lakhs in the Revenue Section (Voted) was augmented by Supplementary Grants of Rs. 60 lakhs in July, 1975 and Rs. 5214.44 lakhs in March, 1976. Against the Final Grant of Rs. 8925.82 lakhs, the actual expenditure amounted to Rs. 90.89,66,851 resulting in an excess of Rs. 1,63,84,851.

The net excess of Rs. 1,63,84,851 resulted due to an erroneous adjustment of Rs. 2,91,27,084 carried out under the Major Head '268—Miscellaneous General Services—Loss by Exchange' at the close of the financial year 1975-76 and debited to sub-head 'B5(3)—Loss by Exchange' in the Grant. The erroneous adjustment represented the difference of credit and debit transactions under sterling remittances advised by one of the Accounts Offices which, in accordance with the accounting procedure, should have first been adjusted under the Head '858—Suspense Accounts' and the net effect of such transactions thereunder adjusted at the close of the year as a receipt under Major Head '068' or as an expenditure under Major Head '268' as per nature of the net transaction. As a result, an inflated credit

was afforded to Major Head '068' in that year. The erroneous adjustment came to notice after the close of the accounts for 1975-76 when it could not be rectified.

3. The excess expenditure having resulted from erroneous adjustment in accounts, it does not require regularisation in terms of paragraph 7 of the 16th Report of the Public Accounts Committee (First Lok Sabha).

The note has been vetted by Audit.

APPENDIX X

MINISTRY OF HEALTH & FAMILY WELFARE

Grant No. 43: Ministry of Health and Family Planning.

<i>Revenue Section—Voted</i>	Figures in Rupees
Original Grant	64,56,000
Supplementary Grant	3,62,000
Final Grant	63,18,000
Actual Expenditure	68,32,979
Excess	14,979

The original Grant of Rs. 64,56,000 was augmented by a Supplementary Grant of Rs. 3,62,000 in March 1976. Against the final grant of Rs. 63,18,000, however, actual expenditure amounted to Rs. 68,32,979 leading to an excess of Rs. 14,979.

2. The excess is the net result of excesses and savings under the various heads in the Grant and is mainly attributable to the gross excess of Rs. 28,536 under the head "A1(2)—Department of Family Planning". The Supplementary Grant of Rs. 3.62 lakhs obtained in March 1976 included Rs. 93,000 for the Department of Family Planning. This Supplementary Grant, however, proved to be inadequate and actual expenditure exceeded by Rs. 28,536. Taking into account savings under other sub-heads in the Grant, the net excess came down to Rs. 14,979 which is less than 0.25 per cent of the sanctioned grant.

3. In view of these circumstances, the net excess of Rs. 14,979 may kindly be recommended for regularisation under Article 115(1) (b) of the Constitution.

4. This note has been seen by Audit.

APPENDIX XI

MINISTRY OF HEALTH AND FAMILY WELFARE

Grant No. 44: Medical and Public Health

	(Figures in Rupees)	
	Revenue Section (Charged)	Capital Section (Voted)
Original Grant . . . . .	..	32,03,94,000
Supplementary Grant/Appropriation	1,06,000	7,33,69,000
Final Grant/Appropriation	1,06,000	39,37,63,000
Actual Expenditure	1,06,405	45,58,07,562
Excess	405	6,20,44,562

Revenue Section (Charged): A Supplementary Appropriation of Rs. 1,06,000 was obtained in March, 1976 for payment of arrears of salaries to the employees of the National T.B. Training Institute, Bangalore in satisfaction of a decree of the Karnataka High Court. The actual expenditure on this account was Rs. 1,06,405. The excess of Rs. 405 which was due to erroneous rounding of the Supplementary Appropriation to the nearest thousand rupees, requires regularisation by Parliament under Article 115(1)(b) of the Constitution .

Capital Section (Voted): The Original Grant of Rs. 32,03,94,000 was augmented by a Supplementary Grant of Rs. 79,33,69,000 in March, 1976, against the final Grant of Rs. 39,37,63,000. However the actual expenditure amounted to Rs. 45,58,07,562 leading to the excess of Rs. 6,20,44,562. This excess was the net result of saving and excesses under various heads and occurred mainly under the following two heads for the reasons indicated thereunder:

(1) AA, 1(1) (3)—Purchase of materials in India and abroad Rs. 3,85,32,327/-.

Medical Stores Depots purchase drugs, medicines, etc., for supplies to indentors from whom the cost is recovered. The Budget provision of Rs. 11 crores for purchases by Medical Stores Depots

was augmented by obtaining a Supplementary Grant of Rs. 1 crore in March, 1976. The actual expenditure, however, amounted to Rs. 15,85,32,327. Out of the excess of Rs. 3,85,32,327, that of Rs. 230.51 lakhs was due to the adjustment of debits in the account for 1975-76 for stores received by Medical Stores Depots in 1974-75 and the balance excess was due to emergent procurement of important life saving drugs and other medicines including those required to be supplied to drought/flood affected areas in the country. This excess expenditure could not be anticipated at the time of obtaining Supplementary Grant in March, 1976.

(2) BB. 1(1) (1)—National Malaria Eradication Programme (Rural)—Rs. 4,43,75,506:

The original Grant of Rs. 1404.68 lakhs for the National Malaria Eradication Programme (Rural) was augmented by a Supplementary Grant of Rs. 622.69 lakhs in March, 1976. The actual expenditure, however, amounted to Rs. 24,71,12,506 causing an excess of Rs. 4,43,75,506. Of this, the excess of Rs. 101.58 lakhs was mainly due to belated adjustment in the accounts for 1975-76 of debits raised in 1970-71, 1973-74 and 1974-75 in respect of procurements through the D.G.S.&D. The balance of the excess was due to larger procurement and supply by the DGS&D of Malathion than anticipated during 1975-76 for combating Malaria. Malathion is used also in agriculture (as insecticide/pesticide) and DGS & D supplies for National Malaria Eradication Programme in previous years had fallen short of the requirements. However in 1975-76, the total procurement by DGS&D proved to be higher than required, resulting in larger supplies for NMEP as it was not possible for DGS&D to stagger supplies beyond March, 1976.

The gross excess of Rs. 8,29,07,833 under the two sub-heads was met to the extent of Rs. 2,08,63,271 from savings available under other heads in the Grant, leaving uncovered the net excess of Rs. 6,20,44,562.

In view of the above, the excess of Rs. 6,20,44,562 in the Capital Section (Voted) of the Grant may be recommended for regularisation under Article 115(1)(b) of the Constitution.

This has been seen by Audit.

APPENDIX XII

MINISTRY OF HOME AFFAIRS

Grant No. 46: Ministry of Home Affairs

<i>Revenue Section—Voted</i>	(Figures in rupees)
Original Grant	2,54,41,000
Supplementary Grant	15,96,000
Final Grant	2,70,37,000
Actual Expenditure	2,78,45,667
Excess	8,08,667

2. The Original Grant of Rs. 2,54,41,000 under Grant No. 46—Ministry of Home Affairs was augmented by Rs. 15,96,000 by obtaining a Supplementary Grant in March, 1976 session of Parliament. Against the final grant of Rs. 2,70,37,000 the actual expenditure amounted to Rs. 2,78,45,667 leaving thereby an uncovered excess of Rs. 8,08,667 which requires to be regularised.

3. The overall excess of Rs. 8,08,667 was the net result of excess and savings under various sub-heads in the Grant and occurred mainly under the Group-head A 1-Secretariat (+ Rs. 13,72,755).

4. The reason for the excess is briefly explained below:

A. 1-Secretariat (+Rs. 13,72,755)

The excess occurred mainly due to non-inclusion of funds in full in respect of medals supplied by the Ministry of Defence in the year 1974-75 and 1975-76 on the presumption that the entire debits were not likely to be adjusted during that year.

5. The above excess and other minor excesses under other Group-heads were partly offset by savings under the remaining Group-heads leaving a net excess of Rs. 8,08,667 in the Grant which needs to be regularised.

6. In view of the circumstances explained in para 4 above the overall excess of Rs. 8,08,667 may kindly be recommended for regularisation by Parliament under Article 115(1)(b) of the Constitution of India.

The note has been vetted by Audit.

APPENDIX XIII

MINISTRY OF HOME AFFAIRS

[Department of Personnel and Administrative Reforms]

Grant No. 48: Department of Personnel and Administrative Reforms.

<i>Revenue Section—Voted</i>	Figures in Rupees
Original Grant	6,13,46,000
Supplementary	96,47,000
Final Grant	7,09,93,000
Actual Expenditure	7,24,68,713
Excess	14,75,713

2. The Original Grant of Rs. 6,13,46,000 under Grant No. 48. Department of Personnel and Administrative Reforms was augmented by Rs. 96,47,000 by obtaining a Supplementary Grant in March, 1976. Against the final grant of Rs. 7,09,93,000 the actual expenditure amounted to Rs. 7,24,68,713 leaving thereby an uncovered excess of Rs. 14,75,713 which requires to be regularised.

3. The overall excess of Rs. 14,75,713 was the net result of excesses and savings under various heads in the Grant.

4. The excess mainly occurred under the head D.1(1), Central Bureau of Investigation which was mainly due to payment of arrears of pay and additional dearness allowances, more tours and purchase of furniture, office equipment and new motor vehicles owing to enhanced activities of the Central Bureau of Investigation, adjustments of leave salary contributions, railway warrants, debits of purchases made through the DGS&D pertaining to the years 1974-75 and 1975-76 and also due to revised rates of telephone charges.

5. In view of the circumstances explained in para 4 above the overall excess of Rs. 14,75,713 may kindly be recommended for regularisation by Parliament under Article 115(1)(b) of the Constitution of India.

6. The note has been vetted by Audit.

APPENDIX XIV

MINISTRY OF HOME AFFAIRS

Grant No. 49: Police

<i>Revenue Section—Voted</i>	Figures in Rupees
Original Grant (Voted)	1,74,17,13,000
Supplementary Grant (Voted)	20,09,91,000
Final Grant	1,94,27,04,000
Actual Expenditure	2,00,11,04,521
Excess	5,84,00,521

2. The original grant of Rs. 1,74,17,13,000 was augmented by obtaining a supplementary grant of Rs. 20,09,91,000 in March, 1976. The actual expenditure however, amounted to Rs. 2,00,11,04,521 resulting in an excess of Rs. 5,84,00,521 which requires to be regularised.

3. The overall excess of Rs. 5,84,00,521 was the net result of excess and saving under the various sub-heads in the Grant.

4. Excess occurred mainly under the following sub-heads:

A. 1-Central Reserve Police (+ Rs. 1,98,47,397)

Grant Rs.	Actual expenditure Rs.	Excess Rs.
54,55,34,000	56,53,81,397	1,98,47,397

The expenditure exceeded the sanctioned budget grant by Rs. 1,98,47,397 due to:—

Adjustment of more debit vouchers on account of Railway Warrants; more movement of battalions; more expenditure on Ration money consequent upon deployment of Battalions in areas where ration money is admissible; adjustment of past liabilities and increase in the rates of electricity, water and freight charges and also materialisation of more indents earlier than anticipated.

**A. 2(1)—Directorate General of Border Security Force
(+ Rs. 2,94,54,274)**

Grant Rs.	Actual Expenditure Rs.	Excess Rs.
64,63,99,000	67,58,53,274	2,94,54,274

The excess expenditure of Rs. 2.94,54.274 was mainly due to:—

Revision of pay scales of BSF Officers on the basis of Third Pay Commission's recommendations and adjustment of past liabilities.

A. 4—Assam Rifles (+ Rs. 1,95,99,957)

Grant Rs.	Actual Expenditure Rs.	Excess Rs.
31,24,32,000	33,20,31,957	1,95,99,957

The excess of expenditure was mainly due to:—

Revision of pay scales; more supplies of vehicles than anticipated and general increase in prices; adjustment of arrears of pay and allowances of Assam Rifles personnel and also adjustment of arrears of book debit vouchers for the supply of ration articles by the Army and increase in P.O.L. prices.

**A. 8(2)—Charges paid to other Governments Departments etc.
(+ Rs. 2,19,94,699)**

Grant Rs.	Actual Expenditure Rs.	Excess Rs.
4,42,00,000	6,61,94,699	2,19,94,699

The excess expenditure was due to:—

Post budget decision for sharing of expenditure on certain cryptographic material produced by the Ministry of Defence and more reimbursement for J & K. Militia owing to payment of additional dearness allowances and also adjustment of debits pertaining to previous years.

5. The above excess and other minor excesses under other group-heads were partly offset by saving under the remaining group-heads leaving net excess of Rs. 5,84,00,521 in the Grant which needs to be regularised.

6. In view of the circumstances explained in para 4 above the overall excess of Rs. 5,84,00,521 may kindly be recommended for regularisation by Parliament under Article 115(1) (b) of the Constitution of India.

The note has been vetted by Audit.

APPENDIX XV

MINISTRY OF HOME AFFAIRS

Grant No. 52: Delhi.

	Revenue Section (Voted) Rs.	Capital Section (Voted) Rs.
Original Grant	98,94,67,000	39,88,78,000
Supplementary Grant	12,25,70,000	14,30,63,000
Total Grant	111,20,37,000	54,19,41,000
Actual Expenditure	112,27,13,567	61,29,74,475
Excess	1,06,76,567	7,10,33,475

The original provision of Rs. 98,94,67,000 under Revenue Section (Voted) was augmented by obtaining a Supplementary Grant of Rs. 12,25,70,000 in March, 1976. The actual expenditure, however, amounted to Rs. 112,27,13,567 against the total grant of Rs. 111,20,37,000 leaving an uncovered excess of Rs. 1,06,76,567 which needs to be regularised.

2. The overall excess of Rs. 1,06,76,567 was the net result of excesses and savings under various heads in the voted portion of Revenue Section of the grant and occurred mainly under the following heads for the reasons given thereunder:—

A-General Services

Major Head "259"

A.14-Public Works

A.14(3)-Maintenance and Repairs (Rs. 58,73,151)

The excess occurred mainly due to more expenditure on maintenance and repairs of Hospitals, School Buildings, Institutions like I.T.Is., Women Polytechnic, Arts College, Police Posts, Court buildings, Electrical Installations like lifts, pumps, air-conditioning plants in hospitals and stand-by generators etc. Efforts to cover the excess expenditure by obtaining a supplementary grant of Rs. 90 lakhs in March, 1976 proved inadequate. Instructions have been issued to

the Delhi Administration that in all such cases, expenditure should not be incurred beyond the sanctioned provision, in future.

A.14(6)—Suspense (Rs. 1,87,20,811)

The excess occurred mainly due to stepping up of works and removal of ban on buildings and construction activities. Efforts to cover the excess expenditure by obtaining a Supplementary grant of Rs. 35 lakhs in March, 1976 proved inadequate. In this connection it may be mentioned that the outlay for the capital works executed by the P.W.D. increased from 5.60 crores in 1974-75 to Rs. 9.76 crores in 1975-76 i.e., about 74 per cent. The increase in the outlay for works implied an increase in the purchase of material etc., and consequently more inflow and outflow under Suspense Head. The Delhi Administration has been asked to see that in such cases, adequate provision exists before additional liabilities are incurred.

3. In Capital Section (Voted) of the Grant there was an excess of Rs. 7,10,33,475. The original provision of Rs. 39,88,78,000 was augmented by obtaining Supplementary Grants of Rs. 7,50,00,000 in January, 1976 and of Rs. 6,80,63,000 in March, 1976. The actual expenditure, however, amounted to Rs. 61,29,74,475 leaving an uncovered excess to the tune of the above amount which needs to be regularised.

The overall excess of Rs. 7,10,33,475 was the net result of excesses and savings under various heads in Voted portion of the Capital Section. The excess occurred mainly under the following head for the reasons given thereunder:—

BB.-Capital Account of Social and Community Services:

Major Head "484"

BB. 4-Capital Outlay on Urban Development

BB. 4(1) Large Scale Acquisition, Development and Disposal of Land in Delhi (Rs. 6,93,31,272)

The excess is mainly due to greater tempo of development work, more payments on account of land acquisition and non-adjustment of advances by the Delhi Development Authority and the Land Acquisition Collector. The excess amount could not be provided by a Supplementary Grant due to non-submission of accounts by the Delhi Development Authority to Delhi Administration in time. Delhi Administration have been asked to ensure that the provisions of the relevant accounting procedure are scrupulously followed in future. In this connection, it may be mentioned that the scheme

does not involve any overall outgo from the Consolidated Fund of India as the receipts realised from the sale of developed/undeveloped land are shown as recoveries under this head.

4. In view of the circumstances explained above, the excess of Rs. 1,06,76,567 under Revenue Section (Voted) and Rs. 7,10,33,475 under Capital Section (Voted) may please be recommended for regularisation by Parliament under Article 115(1)(b) of the Constitution.

The note has been vetted by Audit.

APPENDIX XVI

MINISTRY OF HOME AFFAIRS

Grant No. 53—Chandigarh

	Original Grant/ Appropriation Rs.	Supplemen- tary Appropriation Rs.	Total Grant/ Appropriation Rs.
	1	2	3
<i>Capital Section</i>			
(Voted)	4,61,44,000	27,50,000	4,88,94,000
(Charged)	6,00,000	..	6,00,000
	Actual Expenditure Rs.		
	4	Excess Rs. 5	
(Voted)	4,89,37,854	(+)43,854	
(Charged)	15,00,001	(+)9,00,001	

There were excesses both under 'Voted' and Charged portion of the Capital Section of the Grant. The original Grant of Rs. 461.44 lakhs under 'Voted' was augmented by obtaining a Supplementary grant of Rs. 27.50 lakhs in March, 1976. The actual expenditure, however, amounted to Rs. 4,89,37,854 in 'Voted' and Rs. 15,00,001 under 'Charged' against the final grant/appropriation of Rs. 4,88,94,000 and Rs. 6,00,000 respectively leaving an uncovered excess of Rs. 43,854 under 'Voted' and Rs. 9,00,001 under 'Charged' expenditure in 'Capital Section' of the grant.

2. The overall excess of Rs. 43,854 was the net result of excesses and saving under various sub-heads in the 'Voted' portion of 'Capital Section' of the Grant and occurred mainly under the following sub-Major Head '534'

Major Head '534'

- CC. 8-Capital Outlay on Power Projects
- CC. 8(1)-Transmission and Distribution Schemes
- CC. 8 (1) (1)-Suspense (Voted) (Rs. 26,418).

Due to non-receipt in time of debits in respect of materials procured through the Director General Supplies and Disposals.

**CC. 8 (1) (2)—Permanent Eletrification of Chandigarh (Voted)
(Rs. 1,21,781).**

Due to providing more new connections than anticipated and operation of more than 100 sub-stations during 1975-76. An amount of Rs. 95,000 was provided by re-appropriation leaving a net excess of Rs. 26,781 only.

3. In the 'Charged' portion the excess occurred under the following sub-head for the reasons given thereunder:—

Major Head '484'

BB. 5—Capital Outlay on Urban Development:

BB. 5(1)—Chandigarh Capital Development:

BB. 5(1)(1)—Construction 'Charged' (Rs. 9,00,001).

Due to additional liability arising out of awards by Courts on disputed cases of compensation for the land acquired for Chandigarh Capital Development.

4. In view of the circumstances explained above the excess of Rs. 43,854 under 'Voted' and Rs. 9,00,001 under 'Charged' of the Capital Section of the grant may please be recommended for regularisation by Parliament under Article 115(1) (b) of the Constitution.

The 'Note' has been vetted by Audit.

APPENDIX XVII

MINISTRY OF HOME AFFAIRS

Grant No. 54—Andaman and Nicobar Islands

(Figures in Rupees)

Revenue Section Voted :

Original Grant	17,73,88,000
Supplementary Grant	3,31,34,000
Final Grant	21,05,22,000
Actual Expenditure	22,53,30,096
Excess	1,48,08,096

The Original Grant of Rs. 17,73,88,000 under Revenue Section (Voted) was augmented by obtaining a Supplementary Grant of Rs. 3,31,34,000 in March, 1976. Against the Final Grant of Rs. 21,05,22,000 the actual expenditure amounted to Rs. 22,53,30,096 resulting in an excess of Rs. 1,48,08,096. This excess is the net result of excesses and savings under the various heads of the Grant and occurred mainly under the following heads for the reasons given thereunder:—

Major Head "259"

A. 12—Public Works:

A. 12(3)—Maintenance and Repairs (Rs. 7,67,066).

The excess was mainly due to high cost of labour and materials. Frequent expenditure on maintenance of buildings, majority of which are wooden structures, also accounted for excess under this head to a certain extent.

A. 12(4)—Machinery and Equipment:

A. 12(4) (1)—New Supplies (Rs. 15,38,605).

The excess was due to adjustment of cost of stores and equipment purchased through Central Purchasing Authority, debits for which were received very late.

Major Head "277"

B. 1—Education:

B. 1(1)—Primary:

B. 1(1) (1)—Government Primary Schools (Rs. 26,75,695).

The excess occurred mainly on account of payment of arrears as a result of revision of pay scales as per recommendations of the Third Pay Commission, increased cost of labour and building materials and unanticipated adjustment of past liabilities.

Major Head "283"

B. 4—Housing:

B. 4(1)—Government Residential Buildings:

B. 4(1) (2)—Maintenance and Repairs:

B. 4(1) (2) (2)—Ordinary Repairs (Rs. 12,80,869).

The excess was due to undertaking of repairs of more buildings than anticipated and increased cost of labour and materials.

Major Head "313"

C. 9—Forest:

C. 9(4)—Forest Conservation and Development:

C. 9(4) (1)—Conservation and Development (Rs. 62,64,699).

The excess was on account of payment of arrears of pay and allowances, etc. consequent on revision of pay scales. Payments of arrears to mazdoors, increase in the pensionery liabilities and increased cost of P. O. L. and spares also accounted for excess under this head.

C. 9(6)—Forest Produce:

C. 9(6) (5)—Chatham Saw Mills (Rs. 16,39,758).

The excess was mainly due to payment of arrears consequent on revision of pay scales.

Major Head "335"

C. 13—Ports, Light Houses and Shipping:

C. 13(1)—Ports and Pilotage:

C. 13(1) (4)—Dockyard and Dry Docking (Rs. 6,42,986).

The excess was due to payment of arrears on account of increased rate of compensatory allowance, payment of additional dearness

allowance and inevitable payments towards supply of steam coal, engine oil, etc.

Major Head "337"

C. 15—Roads and Bridges:

C. 15(1)—District and Other Roads:

C. 15(1) (2)—District Roads (Rs. 17,21,394).

The excess was mainly on account of increase in the cost of materials and enhancement in the rate of labour charges.

Major Head "338"

C. 16—Road and Water Transport Services:

C. 16(2)—Water Transport:

C. 16(2) (1)—Government Transport Services—Working Expenses (Rs. 6,05,990)

The excess was mainly due to payment of arrears on account of revision of pay scales.

The above excess amounting to Rs. 1,71,37,062 were met to a certain extent by savings from other heads of the Grant, leaving an uncovered excess of Rs. 1,48,08,096.

In view of the circumstances explained above, the excess of Rs. 1,48,08,096 may kindly be recommended for regularisation by the Parliament under Article 115(1) (b) of the Constitution.

The above note has been vetted by Audit.

APPENDIX XVIII

MINISTRY OF HOME AFFAIRS

Note for the Public Accounts Committee for regularisation of excess under Revenue Section (Voted) of Grant No. 56-Dadra and Nagar Haveli as disclosed in the Appropriation Accounts (Civil) for 1975-76

Grant No. 56—Dadra and Nagar Haveli

	(Figures in Rupees)
<i>Revenue Section—voted :</i>	
Original Grant	1,28,34,000
Supplementary Grant	19,37,000
Final Grant	1,47,71,000
Actual Expenditure	1,47,87,909
Excess	16,909

2. Against the final grant of Rs. 1,47,71,000 under the Revenue Section of Grant No. 56-Dadra and Nagar Haveli the actual expenditure amounted to Rs. 1,47,87,909 leaving an uncovered excess of Rs. 16,909.

3. The excess was the net result of excesses and savings under various sub-heads of the Grant and works out to 0.11 per cent of the sanctioned grant. The excess was mainly on account of adjustment of debits for purchases through D. G. S. & D. in the previous years and needs to be regularised under Article 115(1) (b) of the Constitution.

4. The above note has been vetted by Audit.

APPENDIX XIX

MINISTRY OF HOME AFFAIRS . . .

Grant No. 57: Lakshadweep

(Figures in Rupees)

Revenue Section—Voted

Original Grant	2,29,26,000
Supplementary Grant	42,94,000
Final Grant	2,72,20,000
Actual Expenditure	2,78,33,700
Excess	6,13,700

The Original Grant of Rs. 2,29,26,000 in the Revenue Section of Grant No. 57-Lakshadweep for 1975-76 was augmented to Rs. 2,72,20,000 by obtaining a Supplementary Grant of Rs. 42,94,000 in March, 1976. The actual expenditure however, amounted to Rs. 2,78,33,700 leaving an uncovered excess of Rs. 6,13,700 in the Revenue Section which requires to be regularised.

3. The above excess is the net result of excesses and savings under the various sub-heads of the Grant and occurred mainly under the following sub-heads:—

B—Social and Community Services

Major Head "277"

B. 1-Education:

B. 1(1)—Primary

B. 1(1) (2)-Government Primary Schools (Rs. 7,22,737/-)

C.—Economic Services

Major Head "305"

C. 3-Agriculture:

C. 3(5)-Plant Protection (Rs. 51,838/-)

Major Head "312"**C. 5-Fisheries:**

C. 5(3)-Deep Sea Fishing (Rs. 2,06,240/-)

C. 5(4)-Processing, Preservation & Marketing (Rs. 2,10,656/-)

Major Head "338"**C. 12-Road and Water Transport Services:**

C. 12(1)-Water Transport

C. 12(1)(1)-Government Transport Services—

Working Expenses (Rs. 1,92,919/-).

4. The reasons for excesses are briefly explained below:—

B. 1(1) (2)-Government Primary Schools (Rs. 7,22,737/-).

Excess was mainly due to revision of pay scales of Primary teachers, enhancement of dearness allowance and other allowances with retrospective effect, increase in cost of mid-day meals and more expenditure on improvement of buildings for junior basic schools.

C. 3(5)-Plant Protection (Rs. 51,838/-)

Intensive measures had to be taken to deal with the rat menace in the island and consequently more quantity of Rodafin had to be procured. The increase in the market price of Rodafin and enhancement of labour charges also contributed towards excess in the expenditure to some extent.

C. 5(3)-Deep Sea Fishing (Rs. 2,06,240/-)

In the absence of any distributing agency for diesel and lubricating oils in the island these articles are procured by the local administration for subsequent sale to the local fishermen. Due to increased demand of the fishermen, larger quantities of these oils had to be purchased as other-wise the fishing boats would have become idle and local fishermen would have been put to financial difficulties.

C. 5(4)-Processing, preservation and marketing (Rs. 2,10,656/-)

Due to unexpected heavy fish catch in February and March 1976 in Minicoy Island, more fish had to be purchased and stored in cold storage for subsequent production of canned product in the canning factory.

C. 12(1)(1)-Government Transport Services—

Working Expenses (Rs. 1,92,919/-)

Unanticipated adjustment of cost of High Speed Diesel Oil, order for the supply of which was placed in 1974. Increase in expenditure

on maintenance of launches and boats was also one of the contributory factors for the excess under this sub-head.

5. The above excesses and other minor excesses under other sub-heads were partly counter balanced by savings under the remaining sub-heads leaving a net excess of Rs. 6,13,700/- in the 'Revenue Section' of the Grant which needs to be regularised.

6. In view of the circumstances explained in para 4 above, the overall excess of Rs. 6,13,700/- in Revenue Section of Grant may kindly be recommended for regularisation by the Parliament under article 115(1) (b) of the Constitution of India.

7. The above note has been vetted by Audit.

APPENDIX XX

MINISTRY OF INFORMATION & BROADCASTING

Grant No. 62: Ministry of Information & Broadcasting

	Figures in Rupees
<i>Revenue Section—Voted</i>	
Original Grant	35,11,000
Supplementary Grant	7,54,000
Total Sanctioned Grant	<u>42,65,000</u>
Actual Expenditure	43,33,326
Excess over the Grant	<u>68,326</u>

The Original Grant of Rs. 35,11,000 was augmented by obtaining a Supplementary Grant of Rs. 7,54,000. However, the actual expenditure exceeded the Final Grant by Rs. 68,326.

At the time of obtaining the Supplementary Grant, it was anticipated that some of the excess on "Salaries, Travel Expenses, Dearness Allowance and Office Expenses" would be met from the savings which usually occur due to late materialisation of expenditure, presentation of bills and receipts of debits etc. However, the anticipated savings did not materialise resulting in an uncovered excess of Rs. 68,326 which requires regularisation by Parliament under Article 115(1) (b) of the Constitution of India.

This note has been seen by audit.

APPENDIX XXI

MINISTRY OF LABOUR

Grant No. 66: Labour and Employment.

<i>Revenue Section—Voted</i>	Figures in Rupees
Original Grant	36,22,91,000
Supplementary Grant	2,21,10,000
Total Grant	38,44,01,000
Actual Expenditure	39,25,53,887
Excess	81,52,887

The original grant of Rs. 36,22,91,000 was augmented by Rs. 2,21,10,000 by obtaining a supplementary grant during March, 1976. Against the total grant of Rs. 38,44,01,000 the actual expenditure amounted however to Rs. 39,25,53,887 resulting in an excess of Rs. 81,52,887.

2. The excess has mainly occurred under the following heads:—

Head	Original Grant Rs.	Supple- mentary Grant Rs.	Total Grant Rs.	Actual Expenditure Rs.	Excess Rs.
A. 1(8) Social Security for Labour					
A. 1(8)(1)—Family Pension-cum-Life Assurance Scheme					
A. 1(8)(1)(1) Employees Family Pension Scheme 1971					
A. 1(8)(1)(1)(1) Government's share of contribution to the Family Pension-cum-Life Assurance Fund for Industrial Workers	6,04,00,000	1,79,88,000	7,83,88,000	9,34,00,000	(+) 1,50,12,000

Head	Original Grant Rs.	Supplementary Grant Rs.	Total Grant Rs.	Actual Expenditure Rs.	Excess Rs.
A. 1(11)—International Co-operation					
A. 1(11)(1).—India's Contribution to International Labour Organisation	50,00,000	..	50,00,000	97,49,267	(+) 47,49,267
A. 1(13)—Transfer to Reserve Funds.					
A. 1(13)(3).—Coal Mines Labour Housing and General Welfare Fund					
A. 1(13)(3)(1)—Cess on Coal and Coke despatched from collieries	7,57,61,000	..	6,57,61,000	7,32,34,354	(+) 74,73,354

3. The reasons for the excess under the above heads are briefly explained below:—

A. 1(8) (1) (1) (1) Government's Share of Contribution to the Family Pension-cum-Life Insurance Fund for Industrial Workers (+)Rs. 1,50,12,000

The excess was due to the payment of arrears of contributions for the previous years. The Budget for 1975-76 included a provision of Rs. 6,04,00,000 as Central Government's Contribution to the Family Pension-cum-Life Insurance Fund for Industrial Workers. However, as a result of higher contributions by the employers and employees to the Fund because of larger membership of the Scheme and increase in wages since 1971, some arrear contributions had become payable by Government to this Fund. As such, the revised requirements were assessed at Rs. 9,34,00,000 on account of Central Government's contribution to the Family Pension-cum-Life Insurance Fund for Industrial Workers. At the time of the formulation of the Supplementary Grant proposals under this head during 1975-76, it was felt that Rs. 150.12 lakhs would be met out of anticipated savings within the Grant and that a Supplementary Grant of Rs. 1,79,88,000 would be needed to meet the residual requirement. Actual expenditure under this head incurred was Rs. 9,34,00,000 and a Supplementary Grant of Rs. 1,79,88,000 was obtained to meet.

the expenditure after utilising the saving of Rs. 150.12 lakhs from within the Grant as stated above.

A. 1(11) (1)—India's Contribution to International Labour Organisation (+)Rs. 47,49,267

The excess was due to increase in India's Contribution to International Labour Organisation because of payment of extra contribution and fluctuation in exchange rate.

A provision of Rs. 50,00,000 was made in the Budget Estimates for 1975-76 towards India's Contribution to International Labour Organisation of which India is a member. The extra contribution had been levied on member countries, including India, and the Government of India's Contribution was intimated to be Rs. 94,92,000. There was a further increase because of the fluctuation in the exchange rate and the total expenditure incurred during 1975-76 came to Rs. 97,49,267 against the provision of Rs. 50 lakhs. At the time of review of the grant in March 1976 the total expenditure was assessed at Rs. 94,92,000 but the actual expenditure has been Rs. 97,49,267 as stated above. Intimation to this effect was received after the close of the year 1975-76.

A. 1(13) (3) (1)—Cess on Coal and coke despatched from collieries (+) Rs. 74,73,354.

The excess was due to more receipt of Cess owing to increased despatches of coal and coke from collieries than anticipated.

This head is an adjusting head through which the proceeds of the duty of excise levied under Section 3 of the Coal Mines Labour Welfare Fund Act, 1947 on all coal and coke despatched from collieries are transferred to the Coal Mines Labour Housing and General Welfare Fund which is a Reserve Fund in the Public Account. No cash outgo from the Consolidated Fund of India is involved in this transfer. According to the relevant provisions of the Coal Mines Labour Welfare Fund Rules, 1949 the duty of excise on coal and coke despatched by rail is collected by Railway Administrations concerned by means of a surcharge on freight and the amount is remitted quarterly to the Reserve Bank of India to the credit of the Central Government. The duty on coal and coke despatched otherwise than by rail is deposited into the treasuries by the respective owners of collieries. The proceeds of the duty are credited initially to the Consolidated Fund of India and an amount equivalent to the amount credited to the Revenue Head 038—Union Excise Duties—D. Cesses on Commodities—Cess on coal and coke, is transferred to the

2065 LS—9.

head 829-Development and welfare funds—Mines Welfare Funds—Coal Mines Labour Housing and General Welfare Fund in the Public Account Budget estimates of the Yield from cess are framed on the basis of the available figures of the total quantity of Coal and Coke despatched in previous year and the trend of despatches in the current year. Although under the provisions of the Coal Mines Labour Welfare Fund Rules, 1949 the amount of duty on coal despatched by road was to be deposited by the colliery owners not later than the last day of the following month and a return showing the total tonnage of coal and coke despatched and the amount deposited submitted to the Coal Mines Welfare Commissioner by that date, there were delays in getting such returns from most of the colliery managements with the result that a precise estimate of the collection of cess on coal despatched by road could not be made in the Budget for 1975-76.

A provision of Rs. 6,57,61,000 was made in the Budget Estimates for 1975-76 for the adjustment of Cess on Coal and Coke despatched from collieries under this head. However, the actual adjustments under this head amounted to Rs. 7,32,34,351 which exceeded the original sanctioned budget grant of Rs. 6,57,61,000 by Rs. 74,73,354. These adjustments came to notice after the financial year 1975-76 was over and there was no time left to obtain a supplementary grant from the Parliament. The above excesses were partly counter balanced by savings under the remaining heads of the Grant bringing down the net excess in the Grant as a whole to Rs. 81,52,887 which requires to be regularised by Parliament.

4. In the circumstances explained above, the overall excess of Rs. 81,52,887 may be recommended for regularisation by Parliament in accordance with Article 115 of the Constitution of India.

APPENDIX XXII

MINISTRY OF SHIPPING AND TRANSPORT

Grant No. 76: Roads.

	Revenue (Voted) Rs.	Capital (Voted) Rs.
Original Grant	69,17,10,000	70,14,63,000
Supplementary Grant	8,65,44,000	..
Final Grant	77,82,54,000	70,14,63,000
Actual Expenditure	77,85,41,053	70,80,95,412
Excess	2,87,053	66,32,412

Revenue Section

The original Grant of Rs. 69,17,10,000 was augmented by obtaining a Supplementary Grant of Rs. 8,65,44,000 in March, 1976 session of Parliament. Against the final Grant of Rs. 77,82,54,000, however, the actual expenditure amounted to Rs. 77,85,41,053 leaving an uncovered excess of Rs. 2,87,053. The excess of Rs.2,87,053 was the net result of excesses and savings under various heads in the Revenue Section of the Grant.

The excess is mainly attributable to the gross excess of Rs. 2,57,35,778 under the head 'A.2(1)-Maintenance' of National Highways. The Original Budget provision of Rs. 18,00,00,000 for this item was augmented by a Supplementary Grant of Rs. 82,53,000 in March, 1976; against the total sanctioned Grant of Rs. 18,82,53,000, however, the actual expenditure amounted to Rs. 21,39,88,778 leading to the excess of Rs. 2,57,35,778. The excess was mainly due to extensive repair works undertaken on the National Highways damaged by heavy rains in various parts of the country and increase in cost of material and labour for maintenance works as compared to the norms prescribed by the Central Government. The maintenance and repair; works were essential to keep the vital lines of communication intact and were undertaken by the various State Governments

who are the executive agencies of the Central Government for the development and maintenance of National Highways. The gross excess of Rs. 2,57,35,778 under this head was partly met from savings available under other heads, leaving a net excess of Rs. 2,87,053 which requires to be regularised.

Capital Section:

Against the Original Grant of Rs. 70,14,63,000 the actual expenditure amounted to Rs. 70,80,95,412 leaving an uncovered excess of Rs. 66,32, 412.

The excess under capital Section of the Grant is mainly attributable to the excess of Rs. 69,00,941 under the head 'AA. 1(2)-Tools and Plants'. Against the Original Budget provision of Rs. 150,00,000 the actual expenditure amounted to Rs. 2,19,00,941 leading to the excess of Rs. 69,00,941. The excess resulted due to clearance of debits for the Tools and Plants procured through the DGS&D. This excess expenditure of Rs. 69,00,941 under this head was partly met from savings available under other heads, leaving a net excess of Rs. 66,32,412, which requires to be regularised.

In view of the explanation given above, the excesses amounting to Rs. 2,87,053 under Revenue Section and Rs. 66,32,412 under Capital Section may kindly be recommended for regularisation by Parliament under Article 115(1)(b) of the Constitution.

This note has been seen by Audit.

APPENDIX XXIII

MINISTRY OF SHIPPING AND TRANSPORT

(Transport Wing)

Grant No. 77-Ports, Light-Houses and Shipping for 1975-76.

Capital Section (Charged)	(Figures in Rupees)
Original Appropriation	2,44,00,000
Supplementary Appropriation	9,72,000
Final Appropriation	2,53,72,000
Actual Expenditure	2,58,41,701
Excess	4,69,701

The Original Appropriation of Rs. 2,44,00,000 under the charged portion in the Capital Section of the Grant was augmented by Supplementary Appropriation of Rs. 9,72,000 in March, 1976. Against the Final Appropriation of Rs. 2,53,72,000, the actual expenditure amounted to Rs. 2,58,41,701 resulting in an excess of Rs. 4,69,701.

2. The entire excess occurred under head 'CC.1(2)(2)-Acquisition of Land' for New Mangalore Port. The Original Budget provision of Rs. 4,00,000 (charged) was augmented by Supplementary Appropriation of Rs. 4,72,000 in March, 1976; against the total sanctioned Appropriation of Rs. 8,72,000 for this item, however, the actual expenditure amounted to Rs. 13,41,701 leading to the excess of Rs. 4,69,701. The excess resulted due to larger number of court decrees received during the last quarter than anticipated. The Supplementary Appropriation of Rs. 4,72,000 was sought taking into account the court decrees received upto December, 1975 amounting to Rs. 8,27,076 and the court decrees expected to be received during January to March, 1976. The court decrees actually received during January to March, 1976, however, amounted to Rs. 5,14,625 including Rs. 5,12,215 during the period from 19-2-1976 to 23-3-1976 as against Rs. 45,000 estimated for that quarter resulting in an excess of Rs. 4,69,701.

3. The above excess of Rs. 4,69,701 may kindly be recommended for regularisation by Parliament under Article 115(1)(b) of the constitution.

4. This note has been seen by audit.

APPENDIX XXIV

MINISTRY OF STEEL AND MINES

(Department of Steel)

Grant No. 79: Department of Steel

(Figures in Rupees)

Capital Section—Voted

Original Grant	1,96,81,34,000
Supplementary Grant	88,98,00,000
Final Grant	2,85,79,34,000
Actual Expenditure	2,87,11,08,054
Excess	1,31,74,054

1. The Original Grant of Rs. 1,96,81,34,000 was augmented by Supplementary Grants of Rs. 9,94,00,000 in January, 1976 and Rs. 79,04,00,000 in March, 1976. Against the final Grant of Rs. 2,85,79,34,000 the actual expenditure, however amounted to Rs. 2,87,11,08,054 thereby leaving an uncovered excess of Rs. 1,31,74,054.

2. The excess of Rs. 1,31,74,054 resulted on account of the gross excess of Rs. 1,41,73,654 under , the sub-head 'AA 1(1)-Investment in New Steel Plants'. The excess under this sub-head occurred because of belated adjustment, in the accounts for 1975-76, of expenditures incurred on the new steel plants during 1973-74 against specific Budget provisions. Taking into account savings under other sub-heads under Capital Section in Grant No. 79-Department of Steel for 1975-76, the net excess amounted to Rs. 1,31,74,054.

3. Since the excess in 1975-76 has resulted exclusively from an omission to bring to account an expenditure in 1973-74 for which budget provision was made in that year, the excess does not require regularisation in terms of paragraph 4.26 of the 45th Report of the Public Accounts Committee (Third Lok Sabha), 1965-66.

4. This note has been seen by Audit.

APPENDIX XXV

MINISTRY OF STEEL AND MINES

(Department of Mines)

Grant No. 81—Mines and Minerals

(Figures in Rupees)

Revenue Section—Voted	
Original Grant	25,35,19,000
Supplementary Grant	6,12,74,000
Final Grant	31,47,93,000
Actual expenditure	32,73,02,217
Excess	1,25,09,217

The Original Grant of Rs. 25,35,19,000 was augmented by Supplementary Grants of Rs. 1,00,00,000 in January, 1976 and Rs. 5,12,74,000 in March, 1976. Against the Final Grant of Rs. 31,47,93,000, however, actual expenditure amounted to Rs. 32,73,02,217 resulting in an excess of Rs. 1,25,09,217. The excess of Rs. 1,25,09,217 was the net result of excesses and savings under the various sub-heads in the Revenue Section of the Grant.

2. The excess under the Revenue Section of the Grant is mainly attributable to the gross excess of Rs. 1,97,06,093 under the sub-head "A.1.(3)(2)-Machinery & Equipment" for mineral exploration by Geological Survey of India. The Original Budget provision of Rs. 2,88,98,000 for this item was augmented by a Supplementary Grant of Rs. 1,39,74,000 in March 1976; against the total sanctioned grant of Rs. 4,28,72,000, however, the actual expenditure amounted to Rs. 6,25,78,093 leading to the excess of Rs. 1,97,06,093. The excess resulted from more than anticipated materialization of purchase orders placed on foreign suppliers, in earlier years, through the Directorate General of Supplies and Disposals. The debits of as much as Rs. 247.38 lakhs on this account were received and adjusted in the accounts for 1975-76, after the end of the

financial year when it was not possible to obtain Supplementary Grant to cover these debits. The gross excess of Rs. 1,97,06,093 under this sub-head was partly met from savings available under other sub-heads, leaving a net excess of Rs. 1,25,09,217 uncovered.

3. In view of the circumstances explained above, the excess of Rs. 1,25,09,217 may kindly be recommended for regularisation by Parliament under Article 115(1)(b) of the Constitution.

APPENDIX XXVI

MINISTRY OF WORKS AND HOUSING

Grant No. 89: Ministry of Works and Housing

	Rs.
Original Grant	50,19,000
Supplementary Grant	7,46,000
Final Grant	57,65,000
Actual Expenditure	59,92,468
Excess	2,27,468

This Grant provides for expenditure on the Secretariat of the Ministry. The original grant of Rs. 50,19,000/- was augmented by obtaining a Supplementary Grant of Rs. 7,46,000 in March, 1976. Against the final grant of Rs. 57,65,000/- the actual expenditure amounted to Rs. 59,92,468/- leaving an uncovered excess of Rs. 2,27,468 which requires regularisation. The above excess has occurred under the following heads:—

Head	Total sanctioned grant	Actual Expenditure	Excess
(Figures in Rupees)			
252-A—Secretariat General Services			
A.1—Secretariat.			
A. 1(1).—Salaries	35,16,000	36,25,000	1,09,000
A. 1(3).—Dearness Allowance	12,56,000	13,06,000	50,000
A. 1(6).—Publications	20,000	64,000	44,000
A. 1(8).—Other Charges	2,90,000	3,14,000	24,000
			2,27,000

The above excess has occurred mainly due to:—

- (i) Unanticipated expenditure on payment of overtime and compensatory allowances to the staff of the Ministry for the work in connection with conferences including visits of Iraqi and Sri Lanka

delegations at Minister's level (Rs. 82,000/-) payment of leave salary for four months to previous Secretary of the Ministry for which no provision had been made (Rs. 14,000/-) and expenditure on personal staff Minister of State who joined the Ministry in December, 1975, for which no provision could be made (Rs. 13,000/-). Total Rs. 1,09,000/-.

(ii) Five slabs of Dearness Allowance, with retrospective effect from September, 1975 were announced in December, 1975 by which time Revised Estimates had already been finalised making an *ad hoc* provision for payment of this Dearness Allowance. Actual payment, made towards the end of the year, however, exceeded the *ad hoc* provision by Rs. 50,000/-.

(iii) Acceptance of debits by book adjustment by Pay and Accounts Officer, towards the end of the financial year on account of printing works got done by the Ministry resulting in excess of Rs. 44,000/- under the head 'Publication'.

(iv) More expenditure (Rs. 24,000/-) incurred under 'Other Charges' on account of rise in petrol prices, revision of postal and telephone rates etc. than anticipated.

In view of the circumstances explained above the excess of Rs. 2,27,468 over the sanctioned grant may kindly be recommended for regularisation by Parliament under Article 115 of the Constitution.

This has been seen by Audit.

APPENDIX XXVII

MINISTRY OF WORKS AND HOUSING

Grant No. 90: Public Works

(Figures in Rupees)

Capital Section Charged

	Rs.
Original Appropriation	15,01,000
Supplementary Appropriation	8,73,000
Final Appropriation	23,74,000
Actual Expenditure	25,27,446
Excess	1,53,446

The original appropriation of Rs. 15,01,000/- was augmented by obtaining Supplementary Appropriation of Rs. 8,73,000 in March, 1976. Against the final appropriation of Rs. 23,74,000/- the actual expenditure amounted to Rs. 25,27,446 leaving an uncovered excess of Rs. 1,53,446/- which needs to be regularised.

The excess of Rs. 1,53,446/- is the net result of Rs. 7,42,329/- under the major head/sub-head of the grant mentioned below and savings of Rs. 5,88,883/- else-where in the same grant.

Major Head/Sub-head	Total Sanctioned Appropriation	Actual Expenditure	Excess
<hr/>			
Major Head '459'			
AA—Capital Outlay on Public Works :			
AA. 1—Construction :			
AA. 1(r)—Original Works :			
AA1(r)(7)—Lok Sabha (Charged)	6,13,000	13,55,329	7,42,329

Out of the afore-said excess of Rs. 7,42,329/—a sum of Rs. 5,88,883/- has been off-set by savings elsewhere under sub-heads of the same Grant, leaving an uncovered excess of Rs. 1,53,446/-.

The aforesaid excess is due to the payment of arbitration awards decreed by Court of Law which could not be foreseen and was unavoidable.

In view of the circumstances explained above the excess of Rs. 1,53,446/- over sanctioned appropriation may kindly be recommended for regularisation by Parliament under Article 115(1) (b) of the Constitution.

This has been seen by Audit.

APPENDIX XXVIII

MINISTRY OF WORKS AND HOUSING

Grant No. 92: Housing & Urban Development

Figures in Rupees

Revenue Section—Voted

	Rs.
Original Grant	7,14,62,000
Supplementary Grant	2,82,86,000
Final Grant	9,97,48,000
Expenditure	10,11,91,491
Excess	14,43,491

The original Grant of Rs. 7,14,62,000/- was augmented by obtaining Supplementary Grant of Rs. 2,82,86,000/-. Against the final Grant of Rs. 9,97,48,000/- the actual expenditure amounted to Rs. 10,11,91,491/- leaving an uncovered excess of Rs. 14,43,491/- which needs to be regularised.

The overall excess of Rs. 14,43,491/- is the net result of excesses and savings under the various sub-heads of the Grant. The excess occurred mainly under the sub-head:—

Major Head/Sub-head	Total Sanctioned Grant	Actual Expenditure	Excess
Major Head '283'			
A—Housing :			
A-3.—Government Residential Buildings :			
A. 3(3)(1).—Ordinary Repairs :			
O.	2,43,59,000	3,53,59,000	4,39,85,628
S.	1,10,00,000		86,26,628

Though the excess under this head amounts to Rs. 86,26,628/- it is counter-balanced to some extent by savings under the other

sub-heads under the same grant resulting in an net excess of Rs. 14,43,491/-.

The excess is mainly on account of more payment of additional slabs of D.A. to Work Charged Staff than anticipated. It was also due to more expenditure on Maintenance and Repairs owing to the lifting of ban on white-washing and repairs of residences and rise in cost of material and labour.

In view of the circumstances explained above, the excess of Rs. 14,43,491/- over sanctioned grant may kindly be recommended for regularisation by Parliament under Article 115 of the Constitution.

This has been seen by Audit.

APPENDIX XXIX

DEPARTMENT OF ATOMIC ENERGY

Grant No. 96: Nuclear Power Schemes

	(Figures in Rupees)
<i>Capital Section Voted :</i>	
Original Grant (Capital Section—Voted)	41,64,69,000
Supplementary Grants	1,54,00,000
Final Grant	43,18,69,000
Actual Expenditure	43,48,03,262
Excess	29,34,262

The Original Grant (Capital Section—Voted) of Rs. 41,64,69,000 was augmented by obtained Supplementary Grants of Rs. 28,00,000 in January, 1976 and Rs. 1,26,00,000 in March, 1976. Against the Final Grant of Rs. 43,18,69,000 however, the actual expenditure amounted to Rs. 43,48,03,262 resulting to an excess of Rs. 29,34,262. The excess was the net result of excesses and savings under various sub-heads in the Capital Section of the Grant; the excesses mainly occurred under the following sub-heads:

	AA. 3—Rajasthan Atomic Power Station Unit II	AA. 6—Narora Atomic Power Station	AA. 7(2)—Waste Immobilisation Plant at Tarapur
Original Grant	5,19,45,000	3,75,68,000	1,43,05,000
Supplementary Grant	18,10,000	1,26,00,000	..
Final Grant	5,37,55,000	5,01,68,000	1,43,05,000
Actual Expenditure	6,08,12,026	8,63,51,785	2,25,68,543
Excess	70,57,026	3,61,83,785	82,63,543

The excess of actual expenditure over the sanctioned grant under each of the above sub-heads was mainly due to the following reasons:

- (a) Increased expenditure on related capital works due, *inter-alia*, to accelerated progress of civil works and earlier

than anticipated delivery of machinery and equipment by the suppliers;

- (b) payment of Custom duty on all foreign supplies; at the rates ranging between 70 per cent to 100 per cent *ad valorem* as against Provision for such Customs Duty had been made in the Budget on the basis of a preferential rate of 40 per cent *ad valorem*. Payment of duty at the higher rate was preferred to avoid the delay in customs clearance and incidence of heavy wharfage.

As the book adjustments for larger expenditure was received after the close of the financial year 1975-76, it was not possible to provide additional funds by going in for a Supplementary Grant. Claims for refund of excess duty paid have also been lodged with the Customs authorities.

The above excesses, amounting to Rs. 5,15,04,354 were met, to a large extent, from savings under other sub-heads in the Capital Section of the Grant leaving an uncovered excess of Rs. 29,34,262. The net excess of Rs. 29,34,262 under the Grant is less than 1 per cent of the final Grant and may kindly be recommended for regularisation by Parliament under Article 115(1) (b) of the Constitution.

This note has been seen by Audit.

APPENDIX XXX

DEPARTMENT OF SCIENCE & TECHNOLOGY

Grant No. 101: Survey of India

(Figures in Rupees)

Revenue Section Voted :

Original Grant	15,60,04,000
Supplementary Grant	1,50,00,000
Final Grant	17,10,04,000
Actual expenditure	17,55,46,919
Excess	45,42,919

The Original Grant of Rs. 15,60,04,000 was augmented by a Supplementary Grant of Rs. 1,50,00,000 in March, 1976. Against the Final Grant of Rs. 17,10,04,000, however the expenditure amounted to Rs. 17,55,46,919 leading to the excess of Rs. 45,42,919, which was the net result of excesses and savings under various sub-heads.

2. The net excess is mainly attributable to the gross excess of Rs. 97,42,661 under the head "A-3—Development Project Surveys". The Original Grant of Rs. 3,80,52,000 for this head was augmented by obtaining a Supplementary Grant of Rs. 25,10,000 in March, 1976 but the actual expenditure amounted to Rs. 5,03,04,661. The excess of Rs. 97,42,661 under this head was primarily due to excess expenditure of Rs. 41.26 lakhs on purchase of photogrammetric machines and Rs. 36.57 lakhs towards payment to the I.A.F. for air photography bills. With the photogrammetric equipment obtained three photo parties were raised in Febraury, 1976, at Hyderabad, Shillong and Dehra Dun for surveys connected with Development and Mineralogical purposes. No Supplementary Grant for the increased expenditure was obtained in the expectation that savings under other heads would be available to cover it. However, this expectation did not materialise as debits amounting to Rs. 45,22,120 in respect of adjustments for past years under various heads in the Grant were accounted for in the accounts for 1975-76.

3. In the circumstances explained above, the net excess of Rs. 45,42,919 may be recommended for regularisation under article 115(1) (b) of the Constitution.

4. This note has been seen by Audit.

APPENDIX XXXI

MINISTRY OF DEFENCE

D(Budget)

Grant No. 19: Defence Services—Army

Voted :	Figures in Rupees
Original Grant	1500,68,82,000
Supplementary Grant	118,59,41,000
Final Grant	1619,28,23,000
Actual Expenditure	1680,54,43,550
Excess	61,26,20,550

2. The original grant of Rs. 15,00,69 crores was augmented by obtaining two Supplementary Grants for a total amount of Rs. 118.59 crores—Rs. 92.12 crores in January, 1976 and Rs. 26.47 crores in March, 1976. Actual expenditure, however, amounted to Rs. 1680.54 crores against the total sanctioned grant (Voted) of Rs. 1619.28 crores leaving thereby an uncovered excess of Rs. 61.26 crores which is required to be regularised.

3. The above mentioned excess is the net result of excesses/savings under the various sub-heads as indicated bellow:—

(In lakhs of Rupees)

Sub-heads	Original Grant	Supplementary Grant	Total sanctioned Grant (Voted)	Actual expenditure	Excess (+) Savings(—) as compared to Total sanctioned Grant
A-1. P & A of Army	50225.37	6703.40	56928.77	58907.20	(+)1978.43
A-2 P & A and Misc. Expenses of Auxiliary Forces	549.43	53.07	602.50	901.91	(+)199.41
A-3 P&A of Civilians	9342.24	1098.73	10440.97	10405.87	(—)35.10
A-4 Transportation	4462.12	5.33	4467.45	4449.93	(—)17.52
A-5 Military Farms	1232.80	32.85	1265.65	1288.43	(+)22.78
A-6 Ordnance Factories	30053.64	3300.96	33354.60	36832.50	(+)3477.90
A-7 R&D Organisation	4508.77	208.86	4717.63	4830.06	(+)112.43
A-8 Inspection Organisation	2776.98	272.45	3049.43	2822.15	(—)227.28
A-9 Stores	37463.17	..	37463.17	37145.88	(—)317.29
A-10 Works	6287.51	129.76	6417.27	7310.62	(+)893.35
A-11 Other Expdr.	3166.79	54.00	3220.79	3259.88	(+)39.09
TOTAL	150068.82	11859.41	161928.23	168054.43	(+)6126.20

4. It would be observed that the excess occurred mainly under (i) Pay & Allowances of Army—Rs. 19.78 crores, (ii) Ordnance Factories—Rs. 34.78 crores and (iii) Works—Rs. 8.93 crores, partly off set by savings under other sub-heads.

5. The main reasons for the variations in expenditure which led to the overall excess of Rs. 61.26 crores are as under:—

(a) Pay & Allowances of Army (Rs. 19.78 crores).—The excess is mainly due to upward revision of ration allowance of other Ranks (Rs. 9.54 crores), increase in *per capita* rates of pay and allowances of personnel and payment of arrears of pay and allowances (Rs. 10.16 crores) and increase in retaining fee of Reservists (Rs. 0.08 crores) sanctioned in July, 1975.

(b) Ordnance Factories (Rs. 34.78 crores).—The excess is mainly due to more materialisation of supplies and increase in requirements (Rs. 25.60 crores) and adjustment of arrear debits on account of customs duty for foreign purchases by an Ordnance Factory during 1972-73, 1973-74 and 1974-75 (Rs. 12.94 crores). This was partly offset by less expenditure on Pay & Allowances, due to delay in payment of arrears of pay and dearness allowance and less booking of expenditure in respect of one of the Ordnance Factories (Rs. 4.03 crores).

(c) Works (Rs. 8.93 crores).—The excess is mainly due to (i) increase in tariff rates of water and electricity supply and increase in the working expenses of installation (Rs. 4.13 crores), (ii) increase in the cost of works service and special repairs (Rs. 3.94 crores), (iii) General Charges in respect of land and buildings and payment to the Railways for siding and platforms, turning out to be more than anticipated (Rs. 0.89 crores) and (iv) Delay in transfer of expenditure incurred on stores initially booked under this head, to the appropriate heads (Rs. 0.64 crores). A part of the increase is also due to more stores required for the execution of operational works, minor works and maintenance services (Rs. 1.89 crores). This was partly offset by less expenditure on Major Works due to slow progress of works, late conclusion of contracts, reduction in scope of works etc. (Rs. 2.68 crores).

6. Excesses under para 5 (a) and (c) above were anticipated to a certain extent even at the time of finalisation of the Revised Estimates. It was, however, expected that these could be met by re-appropriation of savings under certain other sub-heads. The savings, however, did not materialise to the extent anticipated and this has resulted in an overall excess under the Grant.

7. In the circumstances explained above, the excess of Rs. 61,26,20,550 may kindly be recommended for regularisation by Parliament under Article 115(1) (b) of the Constitution.

D.A.D.S. has seen.

APPENDIX XXXII

MINISTRY OF DEFENCE

GRANT No. 20—DEFENCE SERVICES—NAVY

	(Figures in Rupees)
Original Appropriation	40,000
Supplementary Appropriation	25,000
Total Sanctioned Appropriation	65,000
Actual Expenditure	66,078
Excess	1,078

Provision for Charged expenditure is made for meeting payments in satisfaction of court decrees etc. Such payments, by their nature, cannot be foreseen with any amount of exactitude, and hence it is often not possible to make a precise estimate of expenditure. As such, provision for charged expenditure is made on *ad-hoc* basis. A provision of Rs. 40,000 was made in the budget Estimates for 1975-76, which was increased to Rs. 65,000 through a Supplementary Appropriation of Rs. 25,000 obtained in March, 1976. The actual expenditure during the year, however, amounted to Rs. 66,078, resulting in an uncovered excess of Rs. 1,078.

2. The amount of excess is rather insignificant. It is requested that the excess of Rs. 1,078 over the Sanctioned Appropriation may kindly be recommended for regularisation by Parliament under Article 115(1) (b) of the Constitution.

D.A.D.S. has seen.

APPENDIX XXXIII

MINISTRY OF DEFENCE

Grant No. 21—Defence Services—Air Force

Voted :	(Figures in Rupees)
Original Grant	444,36,75,000
Supplementary Grant	34,62,61,000
Final Grant	478,99,36,000
Actual Expenditure	486,41,62,534
Excess	7,42,26,534

2. The Original Grant of Rs. 444.37 crores was augmented by obtaining two Supplementary Grants for a total amount of Rs. 34.63 crores—Rs. 11.30 crores in January, 1976 and Rs. 23.33 crores in March, 1976. The actual expenditure, however, amounted to Rs. 486.41 crores against the final sanctioned grant of Rs. 478.99 crores leaving thereby an uncovered excess of Rs. 7.42 crores which is required to be regularised.

3. The above mentioned excess is the net result of excesses/savings under various sub-heads as indicated below:—

Sub-heads	Original Grant	Supplementary Grant	Total sanctioned Grant (Voted)	Actual Expdr.	Excess(+) Saving(—) as compared to total sanctioned Grant
A-1 P & A of Air Force	8561.50	889.00	9450.50	9785.87	(+)335.37
A-2 P & A of Reserve and Aux. Services	2.00	..	2.00	2.26	(+)0.26
A-3 P & A of Civilians	1784.58	201.00	1985.58	1875.55	(—)110.03
A-4 Transportation	564.00	68.18	632.18	845.21	(+)213.03
A-5 Stores	28592.00	2101.00	30693.00	31379.39	(+)686.39
A-6 Works	2140.32	193.43	2333.75	2385.73	(+)51.98
A-7 Spl. Projects	2109.35	10.00	2119.35	1591.84	(—)527.51
A-8 Other Expenditure	683.00	..	683.00	775.78	(+)92.78
TOTAL	44436.75	3462.61	47899.36	48641.63	(+)742.27

4. It would be observed that the excess occurred mainly under (i) Pay & Allowances of Air Force—Rs. 3.35 crores, (ii) Transportation—Rs. 2.13 crores and (iii) Stores—Rs. 6.86 crores partly off-set by savings under other sub-heads.

5. The main reasons for the variation in expenditure which led to the overall excess of Rs. 7.42 crores are as under:—

(a) *Pay & Allowances of Air Force (Rs. 3.35 crores)*.—The excess is mainly due to increase in the *per capita* rates of Service Officers and Airmen and more expenditure than anticipated on allowances of airmen.

(b) *Transportation (Rs. 2.13 crores)*.—The excess is mainly on account of more expenditure on (i) Air Transportation charges and sea and inland water charges due to higher trend of expenditure than anticipated and increase in transport requirements (Rs. 1.40 crores), (ii) Rail charges, due to unexpected heavy adjustments towards the close of the year (Rs. 0.56 crore) and (iii) Travelling and out station allowances, due to more expenditure than anticipated on account of increase in rates of Daily Allowance, Transportation charges, Baggage charges etc. (Rs. 0.17 crore).

(c) *Stores (Rs. 6.86 crores)*.—The excess is mainly on account of (i) Petrol, Oil and Lubricants due to increase in requirements (Rs. 3.10 crores), (ii) Aviation stores, due to more materialisation of supplies and larger adjustments of customs duty charges (Rs. 8.20 crores), (iii) Clothing stores, due to more materialisation of supplies and rise in prices (Rs. 1.45 crores) and (iv) Provisions, due to increase in strength and rise in prices (Rs. 0.79 crore).

The above may partly offset mainly by less expenditure on (i) Ordnance stores due to delay in materialisation of supplies and in adjustment of payments (Rs. 2.82 crores), (ii) Air frames and engines, due to delay in payment for supplies and in execution of repair work (Rs. 2.41 crores) and (iii) Research and Development Projects, due to low trend of expenditure (Rs. 1.18 crores).

6. Excess under Para 5 (a) and (b) above were anticipated to a certain extent even at the time of finalisation of the Revised Estimates and were met by re-appropriation of savings available within the Grant.

7. In the circumstances explained above the excess of Rs. 7,42,26,534 may kindly be recommended for regularisation by Parliament under Article 115(1) (b) of the Constitution.

D.A.D.S. has seen.

APPENDIX XXXIV

MINISTRY OF RAILWAYS

(Railway Board)

1.1. During the year 1975-76, the actual expenditure exceeded the sanctioned allotment in the case of 12 voted grants and one charged appropriation.

1.2. The excess occurred in 12 voted grants as indicated in Annexure 'A' (Items 1 to 12) out of a total 23 voted grants.

1.3. In the case of charged expenditure—the excess occurred under one charged appropriation out of a total 12 appropriations (including supplementary appropriations) as indicated in Annexure 'A' (Item 13).

1.4. The amount of the excess in each of the cases is shown in para 6 of the Report of the Comptroller and Auditor General of India for 1975-76, as also in sub-paras (a) & (b) of para 33 of the Appropriation Accounts of Railways in India for 1975-76—Part I—Review. The excesses to be regularised by Parliament have, however, to take into account the erroneous adjustments as between the voted grants as also between the charged appropriations as brought out in Annexure 'B' enclosed with this note. Annexure 'A' enclosed with this note, shows the figures of the excesses given in the above mentioned publications as well as the real excesses, after taking into account the misclassifications brought out in Annexure 'B', which require regularisation.

1.5. It may be mentioned that every care is taken to assess the expenditure under various grants/appropriations as precisely as possible and to obtain supplementary allotments, where necessary, so that the excesses are avoided to the maximum extent possible. Periodical reviews are made in the Board's Office to ensure strict control over the budget grants and where necessary, the General Managers are advised of the need to keep the expenditure under control. Instructions have also been issued to the Railway Administrations cautioning them against likely excesses in expenditure. Preliminary Accounts for 1976-77 have revealed that better control over the budget grants has been exercised on all the Railways.

1.6. It is requested that the P.A.C. may be pleased to recommend regularisation of these excess by the Parliament in the manner prescribed under Article 115 of the Constitution of India.

1.7. The Memorandum has been seen by Audit.

DETAILED NOTE FURNISHED BY THE MINISTRY OF RAILWAYS (RAILWAY BOARD) IN RESPECT OF EXCESSES UNDER EACH OF THE GRANTS/APPROPRIATIONS

Voted Grant No. 3—Revenue—Working Expenses—Payment to worked lines and others. Excess of Rs. 2,22,645 over Rs. 25,38,000.

2.1. This grant deals with expenditure on:—

- (i) payments to owners of Branch Lines, worked by and as part of Indian Government Railway System, of their share of net earnings.
- (ii) subsidy and rebate to such Branch Lines to make up their total earnings to the specified minimum, and
- (iii) payment of subsidy to lines owned and worked by certain private companies when their net earnings do not give the return guaranteed to them on their capital.

2.2. The excess of Rs. 2,22,645 was 8.77 per cent of the final grant of Rs. 25,38,000 voted by Parliament. A supplementary grant of Rs. 5.94 lakhs was obtained in March/76 for payment of subsidy to:

- (i) Arrah-Sassaram Light Railway Company (3.62 lakhs) and
- (ii) Futwah-Islampur Light Railway Company (2.32 lakhs).

The excess of Rs. 2.22 lakhs was mainly due to more payment towards share of net earnings to certain worked lines on account of increase in traffic in the latter part of the year.

2.3. There is no misclassification under this grant (c.f. Annexures A & B). The excess actually requiring regularisation by Parliament is Rs. 2,22,645 in relation to voted grant of Rs. 25,38,000, which works out to 8.77 per cent of the voted grant.

Voted grant No 5—Revenue Working Expenses—Repairs and Maintenance —Excess of Rs. 13,86,36,582 over Rs. 5,69,71,26,000.

3.1. This grant deals with expenditure on repairs and maintenance of Railway assets including track, buildings, rolling stock, ferries, electrical and signal equipment and installations, machinery etc.

3.2. The excess of Rs. 13.86 crores works out to 2.43 per cent of the final grant of Rs. 569.71 crores voted by Parliament. A supplementary grant amounting to Rs. 55.88 crores was taken under this grant in March, 1976 to meet the expenditure on additional dearness allowance sanctioned by the Government during the year with retrospective effect, decasualisation of labour, more running repairs to locomotives and carriages and wagons, more workshop repairs to carriages and wagons and electrical multiple unit stock, better train lighting, more repairs to S & T equipments and S & T installations etc. The excess was shared by all the Railways and this occurred mainly due to receipt of more stores, spares etc. and debits therefore, including increase in their prices (6.48 crores), more shed and shop repairs (5.28 crores) (includes excess on account of inadequate provision made by South Central Railway—0.78 crore), fluctuations in the adjustment of undercharges and over charges (2.06 crores), periodical overhaul to rolling stock (0.65 crore) and aggregate of minor variations (0.27 crore); partly offset by saving due to less adjustment in respect of stock adjustment account (0.88 crore).

3.3. After excluding the amount of misclassification *viz.* Rs. 5,79,129 (c.f. Annexures A & B) the excess actually requiring regularisation by Parliament works out to Rs. 13,80,57,453 in relation to the voted Grant of Rs. 5,69,71,26,000 which works out to 2.42 per cent of the voted grant.

Voted Grant No. 6—Revenue—Working Expenses—Operating Staff—Excess of Rs. 1,78,05,248 over Rs. 3,22,07,76,000.

4.1. This Grant deals with the expenditure on operating staff employed in the Locomotive, Carriage and Wagon, Ferry, Steamers and Harbour Departments as well as the operating staff (including staff at stations) of the Traffic Signal and Tele-communication and Electric Traction Department.

4.2. The excess of Rs. 1.78 crores is 0.55 per cent of the final grant of Rs. 322.08 crores voted by the Parliament. A supplementary grant of Rs. 29.74 crores was obtained in March 1976 to meet expenditure on the additional dearness allowance sanctioned by the Government during the year, with retrospective effect, and the throw forward liability of Pay Commission's recommendations. The excess was shared by all the Railways except Central, Northeast Frontier and Western Railway was mainly due to more payment of additional dearness allowance sanctioned during the year than anticipated (85 lakhs) (includes inadequate provision made by Northern Railway—33 lakhs), payment of kilometrage and over time, city compensatory, house rent and night duty allowances (39 lakhs), implementation of

the recommendations of Third Pay Commission (15 lakhs) and aggregate of other minor causes (39 lakhs).

4.3. After excluding the amount of misclassification *viz.* Rs. 6,87,656 (c.f. Annexures A & B) the excess actually requiring regularisation by Parliament works out to Rs. 1,71,17,592. The excess works to 0.53 per cent in relation to the Voted grant of Rs. 3,22,07,76,000.

Grant No. 7—Revenue—Operation (Fuel)—Excess of Rs. 6,55,62,946 over Rs. 2,62,51,35,000.

5.1. This grant deals with expenditure on coal and other fuel, freight and handling charges, sales tax, excise duty and cess on coal and electric current for traction purposes.

5.2. The excess of Rs. 6.56 crores works out to 2.50 per cent of the final grant of Rs. 262.51 crores voted by Parliament. A supplementary grant of Rs. 15.36 crores was obtained in March, 1976 to meet expenditure due to enhancement in the prices of coal, diesel oil, revision of tariff by the State Electricity Boards and additional dearness allowance sanctioned by the Government during the year, with retrospective effect.

5.3. The excess of Rs. 6.56 crores was shared by all the zonal Railways and occurred mainly due to more consumption of H.S.D. oil, owing *inter alia*, to increase in Diesel traffic and increase in the price (2.14 crores), more payment of freight and handling charges including sea freight on fuel (1.61 crores) (includes Rs. 0.35 crore inadequate provision made by South Central Railway Administration), less receipt of credits on account of subsidy in respect of freight on sea borne coal (1.15 crores), increase in electric traction and revision of tariff by the State Electricity Boards (0.74 crore), increase in price of coal, owing *inter-alia*, to more haulage of traffic under steam traction than anticipated (0.41 crore), more payment of sales tax, excise duty and cess on coal (0.14 crore) and aggregate of minor variations (0.37 crore).

5.4. After excluding the amount of misclassification *viz.* Rs. 3,92,098 (c.f. Annexures A & B), the excess actually requiring regularisation by Parliament comes to Rs. 6,51,70,848. The excess works out to 2.48 per cent in relation to the final grant of Rs. 2,62,51,35,000.

Voted Grant No. 8—Revenue—Working Expenses—Operation other than staff and fuel—Excess of Rs. 9,52,52,809 over Rs. 88,36,72,000.

6.1. This grant deals with the operational expenditure on stationery, forms and tickets, handling collection and delivery of goods

and expenses at out agencies, compensation for goods lost or damaged including amounts kept in suspense pending settlement of inter-railway liability, electrical general services, clothing and stores etc.

6.2. The excess of Rs. 9.53 crores works out to 10.78 per cent of final grant of Rs. 88.37 crores voted by Parliament. Supplementary grant of Rs. 9.81 crores was taken under this grant in March, 1976 to meet the expenditure on additional dearness allowance sanctioned by the Government during the year with retrospective effect, revision of tariff for electricity supplied by State Electricity Boards, unusual increase in prices of lubricants, grease, oil and tallow etc., supply of more uniforms to staff, clothing stationery forms etc., increase in cost of printing of tickets, carriage of more revenue stores and miscellaneous other factors.

6.3. The excess was shared by all the Railways and occurred mainly due to increase in consumption of consumable stores, clothing, stationery etc. and receipt of more debits therefor (7.08 crores) (includes Rs. 0.74 crore inadequate provision made by South Central Railway Administration), more payment for electric energy due to increase in consumption (0.96 crore), more payment of compensation claims in respect of goods lost or damaged (0.94 crore) realisation of less credits on account of auction sales (0.55 crore) more debits in connection with missing wagons carrying Railways coal (0.50 crore) and aggregate of minor variation (0.46 crore); partly offset by fluctuation in adjustment through Stock Adjustment Account (0.96 crore).

6.4. After excluding the amount of misclassification *viz.* Rs. 2,07,007 (c.f. Annexures A & B), the excess actually requiring regularisation by Parliament works out to Rs. 9,50,45,802. The excess works out to 10.76 per cent in relation to the final grant of Rs. 88,36,72,000.

Grant No. 9—Revenue—Working Expenses—Miscellaneous Excess of Rs. 3,09,73,053 over Rs. 57,51,25,000

7.1. This grant deals with the Government contribution and special contribution to Provident Funds Contributions and Grants, compensation under Workman's Compensation Act, subsidy on railway grainshop issues, departmental catering and other expenses such as law charges, revenue expenditure on civil defence etc. and certain revenue transactions under 'Suspense' (both credits and debits).

7.2. The excess of Rs. 3.10 crores works out to 5.38 per cent of the final grant of Rs. 57.51 crores voted by Parliament. A supplementary grant of Rs. 5.79 crores was obtained in March, 1976 to meet expenditure on payment of additional dearness allowance sanctioned

by the Government during the year with retrospective effect, throw-forward adjustments under the Suspense head 'Demand Payable', debits from State Governments for expenditure incurred in connection with strike measures, more purchase of catering stores due to increase in catering sales, more payment to retired staff during the year, more payment of rent rates and taxes, implementation of revised pay scales of the Railway Protection Special Force personnel etc. The excess occurred on Eastern, North Eastern, Southern and South Eastern Railways and also under the sub-head 'Suspense'. It was mainly on account of adjustment under 'Demands Payable' (2.64 crores), more adjustment of freight, handling and Indian charges on revenue stores (Rs. 1.78 crores), more payment of gratuity and special contribution to provident fund (Rs. 0.23 crore), more expenditure on catering as a result of more purchases (Rs. 0.21 crore), partly offset by less adjustment of expenditure in respect of Central Emergency Force and Territorial Army units (1.70 crores) and aggregate of minor variation (0.06 crore).

7.3. After including the amount of misclassification viz. Rs. 1,81,059 (c.f. Annexures A & B), the excess actually requiring regularisation by Parliament works out to Rs. 3,11,54,112. The excess works out to 5.42 per cent in relation to the voted grant of Rs. 57,51,25,000.

Voted Grant No. 10—Working Expenses—Staff Welfare—Excess of Rs. 44,41,345 over Rs. 52,58,89,000.

8.1. This grant deals with the expenditure on medical facilities, health and welfare services, educational assistance and training of staff, staff canteens and other staff amenities.

8.2. The excess of Rs. 0.44 crore is 0.84 per cent of the final grant of Rs. 52.59 crores voted by Parliament. A supplementary grant amounting to Rs. 5.64 crores was obtained in March, 1976 for payment of additional dearness allowance sanctioned by the Government during the year with retrospective effect, more reimbursement of tuition fees, increases in prices of medical stores and reimbursement of medical expenses, appointment of additional staff for medical and health departments.

8.3. The excess occurred on all the Railways except Central, Eastern and South Central due to certain expenditure booked under this grant as a result of change in classification (28 lakhs), receipt of more debits for medical stores and reimbursement of medical expenses than anticipated (Rs. 14 lakhs), non-payment of allowances

as a result of revision of Pay and Allowances (9 lakhs), more expenditure under Health and Welfare services (Rs. 8 lakhs), aggregate of other minor variations (Rs. 3 lakhs); partly offset by savings on account of less number of staff sent for training (Rs. 18 lakhs).

8.4. After including the amount of misclassification viz. Rs. 10,27,231 (c.f. Annexures A & B), the excess actually requiring regularisation by Parliament works out to Rs. 54,63,576 which works out to 1.04 per cent in relation to voted grant of Rs. 52,58,89,000.

Grant No. 13.—Open Line Works—Revenue—Excess of Rs. 11,71,840 over Rs. 7,50,29,000.

9.1. This grant deals with the expenditure on works costing not more than Rs. 25 thousand each on staff welfare (such as hospitals, schools sports grounds, marketing facilities in railway colonies etc. and matching share capital contribution to the Railwaymen's Consumer Co-operative Societies) and unremunerative operating improvements estimated to cost not more than rupees three lakhs each and on new minor works, i.e., works costing Rs. 25 thousand or less each, other than railway users' amenities.

9.2. The excess of Rs. 12 lakhs works out 1.56 per cent of the final grant of Rs. 7.50 crores voted by Parliament. The excess was shared by the Central, Eastern, Northern, North Eastern and North-east Frontier Railways and occurred mainly due to more receipt of material, plant and machinery and debits thereof than anticipated.

9.3. After including the amount of misclassification viz., Rs. 30,280 (c.f. Annexures A & B), the excess actually requiring regularisation by the Parliament works upto Rs. 12,02,120. The excess works out to 1.60 per cent in relation to the voted grant of Rs. 7,50,29,000.

Voted Grant No. 15—Open Line Works—Capital, DRF & DF Excess of Rs. 45,56,69,304 over Rs. 9,85,78,58,000.

10.1. This grant deals with the expenditure on (i) additions to Railways assets like Rolling Stock, machinery and works and on transactions under Stores, Manufacture Suspense and Miscellaneous Advances (charged to capital) and replacement of assets charged to Depreciation Reserve Fund and Development Fund, expenditure on amenities for passengers and other Railway users, staff welfare works including cost of quarters of class III and class IV staff costing above Rs. 25,000 each and unremunerative operating improvement works costing more than Rs. 3 lakhs each.

10.2. The excess of Rs. 45.57 crores was 4.62 per cent of the final grant of Rs. 985.79 crores voted by the Parliament. Supplementary grant totalling Rs. 116.13 crores was taken during the course of the year mainly to cover expenditure on Rolling Stock due to the updating of transfer prices of locomotives and on the liquidation of throwforward debits from 1974-75, capitalisation of loco spares, and additional payments due to increased coach/wagon production during the year and on machinery and plant based on the latest delivery programme, speedier progress on certain works, more purchases of stores required for general purposes, increase in the prices of coal, diesel oil, steel and cement etc., and more payments to M/s. Bharat Heavy Electricals Ltd., for supply of traction equipment including escalation charges, additional dearness allowance sanctioned during the year with retrospective effect, higher repair and overhaul activity in workshops and consequent increase in the value of works in progress and of stores, and payments against shares issued by Rail India Technical and Economic Services Ltd.

10.3. The excess occurred on all Railways except Central Railway and on the Chittaranjan Locomotive Works; and this occurred under the following heads:—

(a) Rolling Stock (Excess of Rs. 4.92 crores). This was mainly due to more procurement of stock and debits thereof and more expenditure on rationalised construction programme.

(b) Works (Excess of Rs. 8.12 crores). This was chiefly due to more receipt of permanent way materials (Rs. 6.22 crores), accelerated progress on certain works (1.19 crores) more receipt of machinery and debits thereof (0.69 crore) and aggregate of minor variations (Rs. 0.14 crore); partly offset by savings due to less debits received from land acquisition authorities than anticipated (Rs. 0.12 crore).

(c) Stores Suspense (Excess of Rs. 22.18 crores). This was due chiefly to more receipt of stores and debits thereof (20.26 crores) (include Rs. 2.00 crores inadequate provision made by Northern Railway Administration), more purchase of high speed diesel oil, coal and coke (4.97 crores), more receipt of stores returned from works (3.40 crores), fluctuations in adjustment through Stock Adjustment Account (2.97 crores), receipt of more manufactured materials from workshops (1.36 crores) and procurement of more engineering stores, spares for diesel locomotives etc. (1.25 crores) and aggregate of minor variations (0.22 crore); partly offset by more issues to Manufacturing Suspense (7.68 crores) and works (4.57 crores).

(d) Manufacturing Suspense (Excess Rs. 11.31 crores). This was due mainly to more drawal of stores from stock (Rs. 7.69 crores), more direct purchase of stores (3.82 crores), more production leading to a larger balance under W.M.S. (1.32 crores), less credit of material returned from works (0.74 crore) and aggregate of minor variations (0.47 crore); partly offset by more issues of manufactured materials to stock (1.36 crores) and Works (Rs. 0.94 crore) and economy measures (0.43 crore).

(e) Development Fund—(Excess 1.01 crore). This was due to accelerated progress on certain works and procurement of more materials.

The above excesses were partly offset by saving under Miscellaneous Advance (Rs. 1.97 crores) due mainly to non-adjustment of certain amounts consequent on revision of allotment of wheelsets and other components to the Railways.

10.4. After including the amount of misclassifications viz. Rs. 47,02,556 (c.f. Annexures A & B), the excess actually requiring regularisation by Parliament works out to Rs. 46,03,71,860 which works out to 4.67 per cent in relation to the voted grant of Rs. 9,85,78,58,000.

Voted Grant No. 16 Pensionary Charges-Pension Fund-Excess of Rs. 4,22,16,919 over Rs. 26,08,99,000.

11.1. This grant deals with expenditure on payment of pensionary charges to Railway Staff covered by the pensionary form of retirement benefits.

11.2. The excess of Rs. 4.22 crores was 16.18 per cent of the final grant of Rs. 26.09 crores. A supplementary grant of Rs. 8.02 crores was obtained in March, 1976 to cover the increased payments expected to be made to staff who retire from Railway service under the pension system and also increases in the rate of pension and relief to pensioners on account of Third Pay Commission's recommendation.

11.3. The excess was shared by all the Indian Railways. There was however saving under Miscellaneous Establishments and the Production Units. The excess occurred mainly due to more debits received from the Civil Accounts officers than anticipated (2.31 crores), more settlements of cases of death-cum retirement gratuity (1.16 crores) of which Rs. 10.15 lakhs was on account of inadequate provision made by South Central Railway Administration, more payment of superannuation pension (0.60 crore) and family pension

(0.20 crore); partly offset by aggregate of minor variation (0.05 crore).

11.4. There was no misclassification under this grant during the year and the excess to be regularised is 4,22,16,819 which amounts to 16.2 per cent in relation to voted grant of Rs. 26,08,99,000.

Grant No. 17—Payment of loans from General Revenues and Interest thereon-Development Fund-Excess of Rs. 2,66,136 over Rs. 7,30,63,000.

12.1. This grant deals with the repayment of loans and payments of interest on such loans taken temporarily from the General Revenues to finance the Development Fund, in accordance with the recommendations of Convention Committee.

12.2. The excess of Rs. 3 lakhs works out to 0.36 per cent of the final grant of Rs. 7.31 crores. A supplementary grant of Rs. 54 lakhs was taken in March, 1976 to meet the increased interest payment to General Revenues.

12.3. The excess occurred due to payment of more interest to General Revenues on account of more loan taken from General Revenue, during the year, as a result of non-materialisation of the budgetted surplus.

12.4. There is no misclassification under this grant (c. f. Annexures A&B). The excess actually requiring regularisation by Parliament is Rs. 2,66,136 which comes to 0.36 per cent in relation to the Voted grant of Rs. 7,30,63,000.

Grant No. 21-Appropriation to Accident Compensation Safety and Passenger Amenities Fund-Excess of Rs. 13,08,214 over Rs. 7,76,91,000

13.1. This grant deals with the Appropriation to the fund based on receipts from surcharge levied on passenger traffic to cover the additional liability of the railways, on Accident Compensation.

13.2. The excess of Rs. 13 lakhs comes to 1.68 per cent of the final grant of Rs. 7,77 lakhs voted by the Parliament. A Supplementary grant of Rs. 24 lakhs was obtained in March, 1976 for appropriation to the Fund based on more receipts expected from surcharge on passenger traffic than anticipated initially during the year.

13.3. The excess was shared by Eastern, North Eastern Northeast Frontier, South Eastern and Western Railway and was due mainly to the increased collection of surcharge as a result of increase in the passenger traffic.

13.4. There was no misclassification under this grant (c.f. Annexures A&B) and the excess actually requiring regularisation by Parliament is Rs. 13,08,214 i.e. 1.68 per cent in relation to Voted Grant of Rs. 7,76,91,000.

Charged Appropriation No. 5-Repairs and Maintenance. Excess of Rs. 2,56,877 over Rs. 15,00,000.

14.1. This charged appropriation relates to payment arising from court decrees etc., in respect of staff engaged on repairs and maintenance of Railway assets, including track, buildings, rolling stock, ferries, electrical and signal equipments and installations, machinery etc.

14.2. The final appropriation comprised of the two supplementary appropriations of Rs. 14.57 lakhs one obtained in January '76 (Rs. 7.75 lakhs) and second in March '76 (6.82) lakhs for payments arising out of court decrees. The actual expenditure on decretal payments however exceeded the appropriation available by an amount of Rs. 2,56,877 representing an excess of 17.13 per cent over the final appropriation.

14.3. The excess occurred only on S.E. Railway.

14.4. There was no misclassification under this appropriation (c.f. Annexures A & B). The excess requiring regularisation works up to Rs. 2,56,877 in relation to the final appropriation of Rs. 15,00,000. The excess works out to 17.13 per cent over the final appropriation of Rs. 15,00,000.

ANNEXURE 'A'

Statement showing excess over Grants/ Appropriations, as shown in para 6 of the Report of the Comptroller and Auditor General of India for the year 1975-76 as well as excess worked out after taking into account the items of misclassifications.

Serial No.	Number and name of the Grant/Appropriation	Original Grant	Supplementary Grant	Final Grant	Expenditure	Excess	Real excess after taking into a/c misclassification listed in Annexure 'B'.	%age of excess to Col. 5	%age of excess to Col. 8
1	2	3	4	5	6	7	8	9	10
1	Grant No. 3 —Payment to Worked Lines and others	19,44,000	5,94,000	25,38,000	27,60,645	2,22,645	2,22,645	8.77	8.77
2	Grant No. 5—Revenue—Repairs & Maintenance	5,13,83,41,000	55,87,85,000	5,69,71,26,000	5,83,57,62,582	13,86,36,582	13,80,57,453	2.43	2.4
3	Grant No. 6—Revenue—Working Expenses — Operating (Staff)	2,92,34,01,000	29,73,75,000	3,22,07,76,000	3,23,85,81,248	1,78,05,248	1,71,17,592	0.55	0.53
4	Grant No. 7—Revenue—Operation (Fuel)	2,47,15,26,000	15,36,09,000	2,62,52,35,000	2,69,06,97,946	6,55,62,946	6,51,70,848	2.50	2.48
5	Grant No. 8—Revenue—Operation other than Staff & Fuel	78,55,31,000	9,81,41,000	88,36,72,000	97,89,24,809	9,52,52,809	9,50,45,802	10.78	10.76
6	Grant No. 9—Revenue—Miscellaneous Expenses	51,72,59,000	5,78,66,000	57,51,26,000	60,60,98,053	3,09,73,057	3,11,54,112	5.38	5.42

1	2	3	4	5	6	7	8	9	10
7	Grant No. 10—Revenue— Staff Welfare	46,94,72,000	5,64,17,000	52,58,89,000	53,03,30,345	44,41,345	54,68,576	0.84	1.04
8	Grant No. 13—Open Line Works—Revenue	7,50,29,000	..	7,50,29,000	7,62,00,840	11,71,840	12,02,120	1.56	1.60
9	Grant No. 15—Open Line Works—Capital, DRF & DF	8,69,65,54,000	1,16,13,04,000	9,85,78,58,000	10,31,35,27,304	45,56,69,304	46,03,71,860	4.62	4.67
10	Grant No. 16—Pensionary Charges— Pension Fund	18,07,29,000	8,01,70,000	26,08,99,000	30,31,15,919	4,22,16,919	4,22,16,919	16.18	16.18
11	Grant No. 17— Repay- ment of loan from General Revenues and interest thereon— De- velopment Fund	6,77,02,000	753,61,000	7,30,63,000	7,33,29,136	2,66,136	2,66,136	0.36	0.36
12	Grant No. 21— Appro- priation to Accident Compensation, Safety and Passenger Amenities Fund	7,53,20,000	23,71,000	7,76,91,000	7,89,99,214	13,08,214	13,08,214	1.68	1.68
<i>Charged Appropriation</i>									
	Appropriation No. 5 — Revenue—Repairs and Maintenance	43,000	14,57,000	15,00,000	17,56,877	2,56,877	2,56,877	17.13	17.13

ANNEXURE 'B'

Sl. No.	Particulars	Amount
<i>Grant No. 3—Payments to Worked Lines & Others</i>		
1	Excess shown in Appropriation Accounts	2,22,645
2(a)	Deduct :— Expenditure relating to other grants booked under Grant No. 3 . . . . .	..
2(b)	Add :— Expenditure relating to Grant No. 3 booked under other grants . . . . .	..
3	Real Excess to be regularised by Parliament 1-2(a)+2(b)	2,22,645
<i>Grant No. 5—Revenue—Working expenses—Repairs and Maintenance</i>		
1	Excess shown in Appropriation Accounts	13,86,36,582
2(a)	Deduct :— Expenditure relating to other grants booked under Grant No. 5	—30,57,662
2(b)	Add :— Expenditure relating to Grant No. 5 booked to other grants	+ 24,78,533
3	Real Excess to be regularised by Parliament 1-2(a)+2(b)	13,80,57,453
<i>Grant No. 6—Revenue—Working Expenses—Operating Staff</i>		
1	Excess shown in Appropriation Accounts	1,78,05,248
2(a)	Deduct :— Expenditure relating to other grants booked under Grant No.	—6,87,656
2(b)	Add :— Expenditure relating to Grant No. 6 booked to other grants . . . . .	..
3	Real excess to be regularised by Parliament 1-2(a)+2(b)	1,71,17,592

Sl. No.	Particulars	Amount
<i>Grant No. 7—Revenue—Working Expenses—Operation (Fuel)</i>		
1	Excess shown in Appropriation Accounts	6,55,62,946
2(a)	Deduct.—	
	Expenditure relating to other Grants booked under Grant No. 7	—3,92,098
2(b)	Add.—	
	Expenditure relating to Grant No. 7 booked under other Grants . . . . .	..
3	Real Excess to be regularised by Parliament 1-2(a)+2(b)	6,51,70,848
<i>Grant No. 8—Revenue—Working Expenses—Operation other than Staff and Fuel</i>		
1	Excess shown in Appropriation Accounts	9,52,52,809
2(a)	Deduct.—	
	Expenditure relating to other grants booked under Grant No. 8	—2,12,576
2(b)	Add.—	
	Expenditure relating to Grant No. 8 booked to other grants	+ 5,569
3	Real Excess to be regularised by Parliament 1-2(a)+2(b)	9,50,45,802
<i>Grant No. 9—Revenue—Working Expenses—Miscellaneous Expenses</i>		
1	Excess shown in Appropriation Accounts	3,09,73,053
2(a)	Deduct.—	
	Expenditure relating to other grants booked under Grant No. 9	—1,72,312
2(b)	Add.—	
	Expenditure relating to Grant No. 9 booked to other grants	+ 3,53,371
3	Real Excess to be regularised by Parliament 1-2(a)+2(b)	3,11,54,112
<i>Grant No. 10—Revenue—Working Expenses—Staff Welfare</i>		
1	Excess shown in Appropriation Accounts	44,41,345
2(a)	Deduct.—	
	Expenditure relating to other grants booked under Grant No. 10	—29,45

Sl. No.	Particulars	Amount
2(b)	Add.—	
	Expenditure relating to Grant No. 10 booked to other grants	+ 10,56,689
3	Real Excess to be regularised by Parliament 1-2(a)+(b)	54,68,576
	<i>Grant No. 13—Open Line Works—Revenue</i>	
1	Excess shown in Appropriation Accounts	11,71,840
2(a)	Deduct.—	
	Expenditure relating to other grants booked under Grant No. 13	-1,06,953
2(b)	Add.—	
	Expenditure relating to grant No. 13 booked to other grants	+ 1,37,233
3	Real Excess to be regularised by Parliament 1-2(a)+ 2(b)	12,02,120
	<i>Grant No. 15—Open Line Works—Capital, D.R.F. & D.F.</i>	
1	Excess shown in Appropriation Accounts	45,56,69,304
2(a)	Deduct.—	
	Expenditure relating to other grants booked under Grant No. 15	-24,22,838
2(b)	Add.—	
	Expenditure relating to Grant No. 15 booked to other grants	+ 71,25,394
3	Real Excess to be regularised by Parliament 1-2(a)+2(b)	46,03,71,860
	<i>Grant No. 16—Pensionary Charges—Pension Fund</i>	
1	Excess shown in Appropriation Account	4,22,16,919
2(1)	Deduct.—	
	Expenditure relating to other grants booked under Grant No. 16 . . . . .	..
2(b)	Add.—	
	Expenditure relating to Grant No. 16 booked to other Grants . . . . .	..
3	Real Excess to be regularised by Parliament 1-2(a)+ 2(b)	4,22,16,919

S. No.	Particulars	Amount
<i>Grant No. 17—Repayment of loan from General Revenues and Interest thereon—Development Fund</i>		
1	Excess shown in Appropriation Accounts	Rs. 2,66,136
2(a)	Deduct.— Expenditure relating to other grants booked under Grant No. 17	..
2(b)	Add.— Expenditure relating to Grant No. 17 booked to other grants . . . . .	..
3	Real Excess to be regularised by Parliament 1—2(a)+2(b)	2,66,136
<i>Grant No. 21—Appropriation to Accident Compensation, Safety and Passenger Amenities Fund.</i>		
1	Excess shown in Appropriation Accounts	13,08,214
2(a)	Deduct:— Amount relating to other grants booked under Grant No. 21 . . . . .	..
2(b)	Add:— Amount relating to Grant No. 21 booked to other Grants . . . . .	..
3	Real Excess to be regularised by Parliament 1—2(a)+2(b)	13,08,214
<i>Appropriation No. 5—Revenue—Working Expenses—Repairs and Maintenance.</i>		
1	Excess shown in Appropriation Accounts	2,56,877
2(a)	Deduct.— Expenditure relating to other Appropriations booked under Appropriation No. . . . .	..
2(b)	Add:— Expenditure relating to Appropriation No. 5 booked to other Appropriations . . . . .	..
3	Real Excess to be regularised by Parliament 1—2(a)+2(b)	2,56,877

APPENDIX XXXV

MINISTRY OF COMMUNICATIONS

(P. & T. BOARD)

Grant No. 17: Capital Outlay on Posts & Telegraphs.

	Figures in Rupees
Original Grant	1,72,54,00,000
Supplementary Grant	20,00,00,000
Total	1,92,54,00,000
Actual Expenditure	2,04,48,67,139
Excess	11,94,67,139

2. This grant provides for meeting the expenditure on Capital Outlay of the P&T Department and is made up of two parts (i) Works Portion and (ii) Stores and Manufacture Suspense. The former accommodates expenditure on capital assets and is accounted for as 'Plan' expenditure. The latter provides for expenditure on procurement of stores required by the Department and manufacturing operations of Telecommunication Factories. As the value of the stores consumed by the Capital Works already enters the 'Works Portion' the total expenditure on procurement of stores is reduced by such value of stores debited to works and for the balance only provision is made in the grant as 'Non Plan' expenditure.

3. The original Budget Provision of Rs. 1,72,54 lakhs was made up of Rs. 1,55,78 lakhs under "Works Portion" (Plan) and Rs. 16,76 lakhs under Stores and Manufacture Suspense Accounts (non plan). A Supplementary Grant of Rs. 20,00 lakhs was obtained in March, 1976 to meet additional provisions for payment to I.T.I., H.C.L., H.T.L. as well as for purchase of zinc from M/s. Hindustan Zinc Co. Ltd., and increase in the works-in-progress partly set off by the decrease in the Civil Engineering Stocks Suspense.

4. The total voted grant stood at Rs. 1,92,54,00,000 against which the actual expenditure came to Rs. 2,04,48,67,139 resulting in an excess of Rs. 11,94,67,139 as under:—

	Sanctioned Grant (Rs.)	Actual expenditure (Rs.)	Excess (Rs.)
Works Portion	1,72,18,00,000	1,79,92,39,853	7,74,39,853
Stores & Manufacture Suspense	20,36,00,000	24,56,27,286	4,20,27,286
Total	1,92,54,00,000	2,04,48,67,139	11,94,67,139

5A. The excess expenditure of Rs. 7.74 lakhs under works portion is mainly attributable to the following two factors viz:—

- (i) An excess of Rs. 13.45 lakhs under "556-B-2-Local Telephone Systems" due to increase in costs and quantities of telephone equipments not anticipated earlier.
- (ii) A saving of Rs. 5.87 lakhs under "556-B-4-Transmission Systems" due to less receipt of imported cable (Rs. 3.58 lakhs), less expenditure under Lines and Wire (Rs. 8.44 lakhs) under B.4(1) and B.4(5) partly off-set by more receipts of microwave equipments and other components (Rs. 6.15 lakhs).

The balance of excess of Rs. 16 lakhs is the cumulative effect of savings and excesses under various components of Postal Services.

5B. The excess expenditure of Rs. 4.20 lakhs under Stores and Manufacture Suspense is attributable to the following factors:—

- (i) An excess of Rs. 5.88 lakhs under "General Stores" due to increase in procurement (Rs. 82 lakhs) and fall in Issues to Capital Works (Rs. 5.11 lakhs) slightly off-set by more issues to Factory Stores (Rs. 5 lakhs).
- (ii) Saving of Rs. 69 lakhs under "Factory Stores" due to less procurement.
- (iii) Saving of Rs. 86 lakhs under "Civil Engineering Stores" due to correspondingly larger issues to Capital Works.
- (iv) Saving of Rs. 13 lakhs due to cumulative effect of savings and excesses under other components.

6. The net excess of Rs. 11,94,67,139 over the sanctioned grant may kindly be recommended for regularisation by Parliament under Article 115(1)(b) of the Constitution.

7. The note has been vetted by Audit.

APPENDIX XXXVI

(Vide paragraph 3.1 of the Report)

I. RECOMMENDATIONS/OBSERVATIONS THAT HAVE BEEN ACCEPTED BY GOVERNMENT

Recommendation

Only a year ago, the Committee had expressed satisfaction over the substantial reduction in the aggregate amount of excess expenditure over Voted Grants and Charged Appropriations achieved during the year 1973-74 and had hoped that every endeavour would be made by the Ministries/Departments to ensure that the position was not allowed to deteriorate once again as had often happened in the past. The Committee are, however, concerned to note that the position has deteriorated once again so soon to a considerable extent. During the year under review (1974-75), excess expenditure had occurred under 27 Voted Grants and 8 Charged Appropriations and aggregated to Rs. 266.52 crores (excluding an amount of Rs. 1.50 lakhs which does not require regularisation), as against Rs. 126.33 crores and Rs. 10.06 crores respectively during 1972-73 and 1973-74. While the Committee note that the bulk of the excess expenditure (Rs. 207.40 crores) had occurred under one Charged Appropriation ('Repayment of Debt') and is attributable to the premature cancellation of Treasury Bills by the Reserve Bank of India (an issue dealt with elsewhere in this Report), they are, however, of the view that the extent of deterioration under some of the other Grants during 1974-75 cannot be taken lightly and should cause concern to Government.

[Serial No. 1—Appendix XXXI (para No. 1.12) of the 227th Report of PAC (5th Lok Sabha)].

An analysis of the reasons for the excess over authorised expenditure during 1974-75, which have been discussed in some detail in the succeeding Chapter of this Report, indicates that defective estimation of monetary requirements, lack of proper and timely review of the progress of expenditure, failure to anticipate properly and provide for the receipt of stores and debits relating thereto, inadequate liaison and coordination with the suppliers on the one hand and the Accounts Officers on the other, absence of adequate provision for the

adjustment of liabilities relating to the previous years, and avoidable misclassifications of expenditure have, as in the past, continued to contribute to excesses. That this should be so despite repeated comments by the Committee and numerous instructions issued by the Ministry of Finance and other authorities would suggest that drastic steps are necessary to improve the existing budgetary procedure and practices. Since Parliamentary control over governmental expenditure calls for financial discipline, the Committee would urge Government once again to investigate in depth the reasons for the recurring failure in this regard and take soon some concrete steps to ensure that the budget estimates are more precisely prepared on a scientific basis and that the actual expenditure approximates, as closely as possible, to the funds authorised by Parliament. In this connection, the Committee would reiterate an earlier recommendation, contained in paragraph 1.6 of their 96th Report (Fifth Lok Sabha), that there should be an in-built system in the various Ministries/Departments which would serve as a self-regulatory apparatus to analyse the reasons for the excesses as soon as they occur and to take timely remedial measures.

[Serial No. 2—Appendix XXXI (Para No. 1.13) of the 227th Report of the P.A.C. (5th Lok Sabha)]

Action Taken

The conclusions/recommendations of the Committee have been noted and communicated to all Ministries/Departments for compliance vide this Ministry's O.M. No. 12(38)-E (Coord)/76 dated 12th January, 1977 (copy enclosed). It is hoped that with the introduction of the schemes of Integrated Financial Advisers and Separation of Accounts from Audit, greater post-budget vigilance will be exercised by Ministries for effective control of expenditure.

[*Ministry of Finance (Deptt. of Expenditure) O.M. No. F. 12(38)-E (Coord)/76, dated the 16th February, 1977].

*Not vetted by Audit.

Copy of Office Memorandum No. F. 12(38)-E (Coord)/76, dated the 12th January, 1977 from the Joint Secretary to the Government of India, Ministry of Finance (Department of Expenditure) to all Ministries/Departments with copy to all Financial Advisers. (referred to in the Ministry's Action Taken Note).

SUBJECT:—Excess over Voted Grants and Charged Appropriations.

The Public Accounts Committee while commenting on the cases of Excess over Voted Grants and Charged Appropriations disclosed

in the Appropriations Accounts for the year 1974-75, have observed in paras 1.12 and 1.13 of their 227th Report as follows:—

Recommendation No. 1 (Para 1.12)

Only a year ago, the Committee had expressed satisfaction over the substantial reduction in the aggregate amount of excess expenditure over Voted Grants and Charged Appropriations achieved during the year 1973-74 and had hoped that every endeavour would be made by the Ministries/Departments to ensure that the position was not allowed to deteriorate once again as had often happened in the past. The Committee are, however, concerned to note that the position has deteriorated once again so soon to a considerable extent. During the year under review (1974-75), excess expenditure had occurred under 27 Voted Grants and 8 Charged Appropriations and aggregated to Rs. 266.52 crores (excluding an amount of Rs. 1.50 lakhs which does not require regularisation) as against Rs. 126.33 crores and Rs. 10.06 crores respectively during 1972-73 and 1973-74. While the Committee note that the bulk of the excess expenditure (Rs. 207.40 crores) had occurred under one Charged Appropriation (Repayment of Debt) and is attributable to the premature cancellation of Treasury Bills by the Reserve Bank of India (an issue dealt with elsewhere in this Report), they are, however, of the view that the extent of deterioration under some of the other Grants during 1974-75 cannot be taken lightly and should cause concern to Government.

.. Recommendation No. 2 (Para 1.13)

An analysis of the reasons for the excess over authorised expenditure during 1974-75, which have been discussed in some detail in the succeeding Chapter of this Report, indicates that defective estimation of monetary requirements, lack of proper and timely review of the progress of expenditure, failure to anticipate properly and provide for the receipt of stores and debits relating thereto, inadequate liaison and coordination with the suppliers on the one hand and the Accounts Officers on the other, absence of adequate provision for the adjustment of liabilities relating to the previous years, and avoidable misclassifications of expenditure have, as in the past, continued to contribute to excesses. That this should be so despite repeated comments by the Committee and numerous instructions issued by the Ministry of Finance and other authorities would suggest that drastic steps are necessary to improve the existing budgetary procedure and practices. Since Parliamentary control over governmental expenditure calls for financial discipline, the Committee would urge Government once again to investigate in depth the reasons for the recurring failure in this regard and take soon some concrete steps to ensure

that the budget estimates are more precisely prepared on a scientific basis and that the actual expenditure approximates, as closely as possible, to the funds authorised by Parliament. In this connection, the Committee would reiterate an earlier recommendation, contained in paragraph 1.6 of their 96th Report (Fifth Lok Sabha), that there should be an in-built system in the various Ministries/Departments which would serve as a self-regulatory apparatus to analyse the reasons for the excesses as soon as they occur and to take timely remedial measures.

2. The procedure for achieving effective control over expenditure is laid down in Rules 65 to 69 of the G.F.Rs. and the decisions thereunder. The rules prescribe maintenance of expenditure control registers, liability registers, prompt adjustments of debits etc. Besides those Rules, in Ministry's O.Ms. No. 10 (3)-E(Coord)/67, dated 18th October, 1967 and No. F. 13(29)-E(Coord)/76, dated 8th September, 1976, the Ministries/Departments were requested to conduct with immediate effect a review of progress of expenditure from month to month with reference to the sanctioned Grants to ensure that the expenditure is evenly distributed throughout the year and that there is no excess expenditure over the sanctioned Grants.

3. With the introduction of the scheme of Integrated Financial Advice and with separation of accounts from the Audit, each Ministry/Department is responsible for maintenance of its own accounts. It is to be ensured by them that scrupulous observance of the procedures regarding control of expenditure is made so that the actual expenditure approximates as closely as possible to the funds authorised by Parliament.

4. The responsibility of post-budget vigilance to ensure that there is neither considerable short falls in expenditure nor unforeseen excess for which provision has not been made either in original budget or in the revised estimates, devolves on the Financial Advisers. It is for the Financial Adviser to keep himself informed of the position in the manner and to the extent considered desirable by him. The Financial Adviser may, in addition to the monthly review mentioned above, prescribe any other procedures/returns so that his responsibility is discharged effectively.

Recommendation

“According to the revised time schedule agreed to by the Committee, in April 1974, explanatory notes on excesses over Voted Grants and Charged Appropriations are required to be submitted to the Committee by 31st May or immediately after the presentation of

the Appropriation Accounts to Parliament whichever is later. Repeatedly in the past, the Committee have commented upon delays in submission of the notes and stressed the need for strict adherence to the schedule prescribed in this regard so that such excesses are expeditiously brought before Parliament. It is heartening that there is a perceptible improvement in the situation with all the explanatory notes, excepting those relating to 6 Grants/Appropriations administered by the Ministry of Railways and 3 Grants/Appropriations administered by the Ministry of Defence, being made available to the Committee by the stipulated date. While the delay was of the order of 18 days in the case of the Ministry of Railways, the notes relating to the Ministry of Defence were received on 1 June, 1976, a day after the expiry of the prescribed period. This is a good augury and the Committee trust that every endeavour would be made by all concerned to ensure scrupulous adherence to the schedule."

[S. No. 4 (Para 2.2) of Appendix XXXI of 227th Report of PAC (5th Lok Sabha)].

Action Taken

(i) *Ministry of Finance* [Department of Economic Affairs (Budget Division)]

Observations of the Committee have been brought to the notice of all Ministries/Departments for ensuring compliance vide this Ministry's O.M. No. F8(67)-B(RA)/76, dated 24th December, 1976.

[Ministry of Finance O.M. No. F8(67)-B(RA)/77, dated the 25th February, 1977]

Copy of Office Memorandum No. F. 8(67)-B(RA)/76, dated the 24th December, 1976 from the Ministry of Finance to all Ministries/Departments referred to in the Ministry's Action Taken Note.

SUBJECT:—*Delay in submission of 'Notes' regarding regularisation of excesses disclosed in the Appropriation Accounts for a year, to Public Accounts Committee.*

The undersigned is directed to invite a reference to this Ministry's Office Memorandum No. F. 8(22)-B/75, dated 15th November, 1975 wherein the concern of the Public Accounts Committee on the subject mentioned above was communicated. The observations of the Public Accounts Committee in para 2.2 of their 227th Report (5th Lok Sabh in this regard are reproduced below:—

"According to the revised time schedule agreed to by the Committee, in April 1974, explanatory notes on excesses over

Voted Grants and Charged Appropriations are required to be submitted to the Committee by 31 May or immediately after the presentation of the Appropriation Accounts to Parliament whichever is later. Repeatedly in the past, the Committee have commented upon delays in submission of the notes and stressed the need for strict adherence to the schedule prescribed in this regard so that such excesses are expeditiously brought before Parliament. It is heartening that there is a perceptible improvement in the situation with all the explanatory notes, excepting those relating to 6 Grants/Appropriations administered by the Ministry of Railways and 3 Grants/Appropriation administered by the Ministry of Defence, being made available to the Committee by the stipulated date. While the delay was of the order of 18 days in the case of the Ministry of Railways, the notes relating to the Ministry of Defence were received on 1 June, 1976, a day after the expiry of the prescribed period. This is a good augury and the Committee trust that every endeavour would be made by all concerned to ensure scrupulous adherence to the schedule."

2. It will be seen that the Committee have again stressed strict adherence to the prescribed date for submission of notes for regularisation of excesses in a year. As already emphasised time and again any delay in the submission of these 'Notes' to the Public Accounts Committee thwart the programme of finalising their Reports and consequential submission of the 'Excess Demands' to Parliament. It is, therefore, imperative that the 'Notes' are finalised and submitted to the Committee within the prescribed time schedule.

3. Ministries/Departments are requested to take note of the above observations of the Committee and ensure that the 'Notes' on excess expenditure duly vetted by Audit reach the Public Accounts Committee by the prescribed date.

(ii) *Ministry of Shipping & Transport*

"The observation of the Public Accounts Committee has been circulated to all concerned officers in the Ministry of Shipping and Transport for scrupulous adherence to the schedule prescribed for submission of explanatory notes on excesses over Voted Grants and Charged Appropriations *vide* endt. No. BPC-17/76-I, dated the 11th October, 1976."*

[*Ministry of Shipping & Transport No. BPC-17/76-I, dated the 14th October, 1976].

Copy of Circular letter No. BPC-17/76-I, dated the 11th October, 1976 from the Ministry of Shipping and Transport (Transport Wing), referred to in the Ministry's Action Taken Note.

SUBJECT:—Action taken on the recommendations contained in the 227th Report of the Public Accounts Committee (5th Lok Sabha) on Excesses over Voted Grants/Charged Appropriations for the year 1974-75 and on the action taken by Government on the recommendations contained in their 180th Report (Fifth Lok Sabha).

In para 2.2 of their 227th Report (1976-77), the Public Accounts Committee have made the following observations:—

“2.2. According to the revised time schedule agreed to by the Committee, in April, 1974, explanatory notes on excesses over Voted Grants and Charged Appropriations are required to be submitted to the Committee by 31 May or immediately after the presentation of the Appropriation Accounts to Parliament whichever is later. Repeatedly in the past, the Committee have commented upon delays in submission of the notes and stressed the need for strict adherence to the schedule prescribed in this regard so that such excesses are expeditiously brought before Parliament. It is heartening that there is a perceptible improvement in the situation with all the explanatory notes, excepting those relating to 6 Grants/Appropriations administered by the Ministry of Railways and 3 Grants/Appropriations administered by the Ministry of Defence, being made available to the Committee by the stipulated date. While the delay was of the order of 18 days in the case of the Ministry of Railways, the notes relating to the Ministry of Defence were received on 1 June, 1976, a day after the expiry of the prescribed period. This is a good augury and the Committee trust that every endeavour would be made by all concerned to ensure scrupulous adherence to the schedule.”

2. The observation made by the Public Accounts Committee is brought to the notice of all concerned officers with the request to ensure scrupulous adherence to the schedule prescribed for submission of Explanatory Notes to the Committee on excesses over Voted Grants and Charged Appropriations.

(iii) Ministry of Commerce

The recommendation has been noted.

[*Ministry of Commerce O.M. No. G. 25015/12/76, B & A, dated the 26th October, 1976].

(iv) Ministry of Works and Housing

The Committee's observations have been noted for compliance.

[Ministry of Works and Housing O.M. No. G-25015/18/76-Bt., dated the 27th October, 1976.]

Recommendation

"The Committee are concerned to note that the expenditure under A.3 (2) (2)-Materials and Supplies' in the Revenue (Voted) Section and under 'B-4-Purchase of Metal' in the Capital (Voted) Section of Grant No. 34 Currency, Coinage and Mint has exceeded the budget provisions respectively by 38 per cent and 39 per cent. If, as stated by the Department of Economic Affairs, additional purchases of metals and other raw materials had to be made to facilitate the achievement of an increased target of production during the last quarter of the financial year, indents therefore would have presumably been placed sufficiently in advance to meet the additional commitments. It is also not clear why the liability on account of Customs duty on metals imported from abroad had not been anticipated at least in the Revised Estimates. The Committee are, therefore, of the view that with better coordination with the suppliers and Accounts Officers, the excess expenditure could have been minimised considerably, if not altogether avoided. What causes greater concern is that such excesses occurred in a grant administered by the Department of Economic Affairs, entrusted with the responsibility of ensuring better financial discipline. The Committee would ask Government to see that such excesses do not recur, and to inform the Committee of steps taken in that regard."

[S. No. 6 (Para 2.12) of Appendix XXXI of 227th Report of the PAC, (5th Lok Sabha)]

Action Taken

"The Mint Masters/General Managers of all our Undertakings have been instructed to make a realistic assessment of their requirements for funds at the budget stage itself; in case need arises for additional requirements during the course of the year due to factors unforeseen at the time of Budget Estimates, like escalation in price.

*Note vetted by audit.

increased requirements of raw materials and equipment, increase in the rates of customs duty, electricity, water, etc., they have been advised to seek additional funds at the earliest and to ensure that there is no excess expenditure at the end of the year. They have also been instructed to keep constant vigil on the expenditure incurred from time to time. As a result of the departmentalisation of accounts, it is expected that the Mint Masters/General Managers will be able to exercise better financial control to avoid recurrence of such excesses in future.'

[*Ministry of Finance (Department of Economic Affairs) O.M. No. F. 8(67)-B(RA)/77, dated the 25th February, 1977.]

Recommendation

"Even though the excess expenditure of Rs. 18.694 incurred in the Capital Section of the Grant, as a result of misclassification of a 'Voted' item of expenditure as a 'Charged' item, does not require regularisation, in terms of paragraph 7 of the Committee's 16th Report (First Lok Sabha), the Committee are surprised that the payment made to a contractor in satisfaction of an award of an arbitrator appointed under the Arbitration Act, 1940, which is distinctly different from the award of a court or an arbitral tribunal should have been thus misclassified. This is also not the first occasion when an instance of this nature has come to the Committee's notice. Now that instructions have once again been issued on this subject, in November 1975, in pursuance of the Committee's earlier recommendation contained in paragraph 2.56 of their 180th Report (Fifth Lok Sabha), the Committee expect that misclassification of his nature will not recur in future."

[S. No. 7 (Para 2.13) of Appendix XXXI 227th Report of the P.A.C. 5th Lok Sabha].

Action Taken

The Mint Masters/General Managers have once again been instructed to exercise due vigilance while classifying expenditure as 'Voted'/'Charged' and follow the instructions issued in this regard. The repartmentalisation of accounts will help in the avoidance of such mistakes in future.

[*Ministry of Finance (Department of Economic Affairs) O.M. No. F-8(67)-B(RA)/77 dated the 25th February, 1977.]

Recommendation

"The Committee have carefully considered the explanation offered by the Department of Economic Affairs for the large excess

*Not vetted by Audit.

of Rs. 207.40 crores under the sub-head 'A.3-Treasury Bills' of the Charged Appropriation included in the Appropriation-Repayment of Debt. If as stated by the Department, precise estimation of the provision necessary to meet the liabilities on account of the Treasury Bills issued to the Reserve Bank is not possible, excess under this sub-head ought to be more or less a regular feature. The Committee, however, find that the actual expenditure on this account was only Rs. 5,838 crores in 1972-73 as against the Budget Provision of Rs. 12,000 crores and Revised Estimates of Rs. 8,000 crores. It would, therefore, *prima facie* appear that the provision on this account was unduly inflated during 1972-73. Apart from the difficulty of conceding that the expenditure incurred in the discharge of liabilities on account of such Treasury Bills is only notional and does not increase the budgetary or economic deficit, the Committee are unable to appreciate why the likelihood of a significant increase in the cash balances leading to the premature cancellation of Treasury Bills by the Reserve Bank of India cannot be anticipated more precisely, particularly in view of the fact that the Department would presumably be reviewing continuously the ways and means and resources position of Government. The Committee would like the Department to review the existing procedures in consultation with the Reserve Bank and to so improve it as to make for a more precise quantification of the liabilities for inclusion in the Budget."

"An excess of Rs. 8.99 crores had also occurred under sub-head 'B.2-Loans from USA' of this Appropriation, which has been attributed to the unanticipated adjustments carried out in 1974-75 in respect of repayments made in 1973-74. This excess, in the Committee's opinion, could have been avoided by a proper liaison with the Accounts Officers and timely reconciliation of accounts. Such instances of failure to make adequate provision for the adjustment of past liabilities continue to recur in spite of repeated comments by the Committee in the past. The Committee hope that the Department of Economic Affairs would at least be able to set an example to other Ministries/Departments in this regard."

[Sl. Nos. 8 and 9 (Paras 2.18 and 2.19) of Appendix XXXI of 227th Report of the PAC (5th Lok Sabha)]

Action Taken

The observations of the Committee have been noted.

*Ministry of Finance (Department of Economic Affairs) O.M. No. F. 8(67)-B(RA)/77 dated the 25th February, 1977.]

*Not vetted by Audit.

Recommendation

The Committee are once again constrained to record their displeasure over the persistent excesses that continue to occur, year after year, in the grant relating to the Andaman & Nicobar Islands, administered by the Ministry of Home Affairs. During the year under review, a net excess expenditure of Rs. 78.51 lakhs had been incurred by the Andaman & Nicobar Administration, as against Rs. 91.58 lakhs and Rs. 43.22 lakhs respectively during each of the preceding two years. The excess had occurred mainly under the sub-heads 'A.12(5)(1)-Stock' (Rs. 31.41 lakhs) and 'A.12(5)(2)-Purchases' (Rs. 78.54 lakhs). That the excess expenditure under these two sub-heads should work out respectively to 16 per cent and 65 per cent of the final provision indicates the extent to which the estimation of requirements had been defective. As in the previous years, the bulk of the excess expenditure during 1974-75 was on account of failure to make adequate provision for past liabilities. The Committee are unhappy with this state of affairs and would urge the Ministry to take earnest measures to check an apparently persistent tendency on the part of the Andaman & Nicobar Administration not to make adequate provision for past liabilities. The Committee would like to be informed of the concrete measures taken to effect improvement.

[S. No. 11, Para 2.29 of Appendix XXXI to 227th Report of the PAC (5th Lok Sabha)].

Action Taken

The matter has been examined in consultation with the Ministry of Works and Housing concerned with making the Budget provision under the above sub-heads, and the Andaman and Nicobar Islands Administration. In order to ensure that adequate provision is made for past liabilities and similar excesses do not recur in future, necessary instructions have been issued to the Administration vide D.O. letter No. U. 15030/10/76-AC.II dated 14-4-1977. However, this problem would be overcome to a large extent after installation of departmentalised accounting system which is likely to be introduced soon.

[Ministry of Home Affairs O.M. No. U. 15030/10/76-Ac. II dated the 14th April, 1977]

Copy of DO. letter No. U. 15030/10/76-AC. II dated the 14th April, 1977 from the financial Adviser Ministry of Home Affairs to the Chief Commissioner, Andaman & Nicobar Administration with copy to the Ministry of Works & Housing referred to in the Ministry's Action Taken Note.

Please refer to your d.o. letter No. 3-1(Appr. A/Cs) 74-75-B&A Vol. IV dated the 21st February 1977 regarding excess expenditure under Grant No. 53-Andaman & Nicobar Administration for the year 1974-75 and para 2.29 of the 227th Report of the Public Accounts Committee for 1976-77.

2. The Public Accounts Committee have taken a serious view of the persistent excesses in the demands relating to the Andaman & Nicobar Islands Administration, mainly due to failure to make adequate provision for past liabilities. Suitable remedial measures must be taken to ensure that adequate provision is made for past liabilities so that similar excesses do not recur in future. You are, therefore, requested to ensure that the following instructions are observed invariably in future:—

- (1) All Estimating Authorities should maintain a liability register in accordance with the instructions contained in Government of India decision No. 1 below Rule 71 of G.F. Rs. and keep a strict watch over the past liabilities;
- (2) The Estimating Authorities, in order to highlight the old liabilities, should indicate the year-wise break-up of the amount in their proposals for Budget/Revised Estimates to be furnished to the Ministries/Departments of the Central Government;
- (3) In cases where the supplies etc. are to be obtained through Supplying Departments, the indenting Department, before placing order, should ensure that provision has been made or will be made in the grant of the year in which the expenditure is likely to be incurred. Suitable steps should be taken to bring about effective coordination between the indenting authorities, procurement agencies and Accounts Organisation;
- (4) Where works are executed or stores purchased through other agencies the Departments responsible for providing the funds should intimate the Department undertaking the work etc. the sanctioned grant within which the expenditure is to be incurred;

- (5) The subordinate authorities incurring expenditure will be responsible for seeing that the allotment placed at their disposal is not exceeded and where any excess over the allotment is apprehended for obtaining additional funds before incurring the excess expenditure;
- (6) The budget provision is to be allocated according to the availability of funds and after taking into account the Government directives on economy measures etc. It is for the Administration to see that the codal instructions and Government's directions are not violated;
- (7) The time schedules for forwarding various budget proposals and other connected materials to the Ministries/ Departments should be strictly adhered to and complete information should be supplied in the first instance;
- (8) All Budget proposals relating to various Departments of the U. T. should be routed through their Finance Department and scrutinised by that Department so as to ensure that complete information is sent to the Ministries/ Departments concerned with the final scrutiny of the Budget proposals of the Administration.

Recommendation

The Committee observe that the excess expenditure of Rs. 40.26 lakhs incurred under the Group-head 'A.1(1)-Trisuli Hydro Electric Project in Nepal' works out to 78 per cent of the final provision of Rs. 51.42 lakhs and has been attributed to the receipt of larger debits than anticipated towards the cost of cement, steel, store, etc. Since the decision to complete the work and hand over the Project to the Government of Nepal by May, 1975 must have been taken well before the close of the financial year and after a review of the progress of the Project and availability of materials' the committee are of the view that the additional liability on account of materials could have been provided for with a greater degree of accuracy by adequately examining the receipt of indented stores and debits relating thereto. This case of avoidable excess expenditure under lines once again the need for a closer liaison between the executing agencies, purchase organisation/suppliers and the Accounts Officers.

[Serial No. 12 (paragraph 2.32) of Appendix XXXI of 227th Report of the PAC (5th Lok Sabha)]

Action Taken

The observations of the P.A.C. have been brought to the notice of the concerned authorities for future guidance vide Ministry of Energy (Deptt. of Power) letter No. 25017/4/76-Bud. dated 18th/22nd September, 1976.

[*Ministry of Energy O.M. No. G. 25017/4/76-Bud. dated the 26th March, 1977)]

Copy of Circular No. 25017/4/76-Bud. dated the 18th/22nd September, 1976, from the Director (IFA) Ministry of Energy (Department of Power) to all Controlling Offices, referred to in the Ministry's Action Taken note.

Sub:—227th report of the Public Accounts Committee (Fifth Lok Sabha)—Excess over voted grants.

I am directed to enclose extracts from the 227th report of the Public Accounts Committee dealing with excess over voted grants during 1974-75 and to request that the Committee's observations may please be brought to the notice of all concerned for future guidance.

Recommendation

The Committee have carefully considered the explanation offered by the Ministry of Defence for the Excess expenditure of Rs. 9.21 crores under Grant No. 21-Defence Services Air Force' and are of the view that much of the expenditure could have been foreseen and adequately provided for a more effective monitoring of materialisation of supplies and receipt of debits relating thereto. For instance, since the escalation in the prices of P. O. L. products became effective from 2 March 74, in the preceding financial year itself, the Committee are unable to appreciate why the additional liabilities on this account could not have been foreseen and estimated more realistically and provided for at least in the Supplementary Budget. It should have also been possible to provide for the payments relating to supplies made prior to 1974-75 by closer coordination with the suppliers on the one hand and the Accounts Officers on the other. The increased expenditure on repair/overhaul of airframes and engines and additional payments for viper engines should also have been anticipated and adequately provided for. The Committee note that tighter budgetary discipline is now being attempted through closer watch over flow of expenditure and that suitable instructions have been issued to

*Not vetted by Audit.

ensure, in future, better anticipation of liabilities for making timely additional provision, whenever warranted. The Committee hope that these measures would have the desired effect and that excesses on these accounts would be considerably minimised in future.

[Serial No. 13 (Paragraph 2.36) of 227th Report of the PAC (5th Lok Sabha)]

Action Taken

The reasons for variations between the 'actuals' and the budgetary provisions for the year 1974-75 have again been investigated in the light of the observations made by the Public Accounts Committee in their 227th Report. It will be observed that the stress of the report is on the increased expenditure on POL, repairs and overhaul and payment for Viper engines.

(a) POL:

There was generally a considerable time lag between the actual effective date of increase in the rates of aviation fuel and their promulgation by the DGS&D. This resulted in billing of the increase much later than the effective dates and consequent delay in the adjustments/bookings. The erratic bookings and delay in adjustments also introduced an element of uncertainty in framing of estimates.

To obviate the above contingency, it has been agreed that from April 1975 Pay & Accounts Officer will make the Payments on the basis of certified rates submitted by the internal Audit Officer of IOC without waiting for the notification of the variation in the rates by the DGS&D. It has also been decided to prepare the estimates on actual drawals from IOC as reflected in their monthly sales report and costing carried out station-wise and grade-wise on IOC billing rates. It is hoped, these measures will ensure proper estimation of fund requirements in future.

(b) *Viper Engines and repair and overhaul:*

On a detailed analysis, it has now been found that payments for 55 viper engines procured by ISM, London for HAL and delivered to latter have been debited directly to Air Force although the cost was actually debitable to HAL. This resulted in an excess expenditure to IAF head of account during 1974-75, which could not be anticipated. These engines were subsequently treated as having

been issued from IAF Stock to HAL and necessary financial adjustments on this account have also since been made with HAL while finalising the cost of aircraft on which these engines were fitted by HAL.

As regards airframes/engines (including repairs and overhauls) a provision of (—) Rs. 156.00 lakhs, under Deduct Head, had been made for issues to the Navy. But these issues did not materialise during the year 1974-75 and payment received from the Navy, the quantum of excess under this head would have been considerably reduced.

However, Naval Headquarters are now invariably being consulted before making budgetary estimates for supplies made to them. D.A.D.S. has seen.

[*Ministry of Defence U.O. No. 58(1)/76/D (Air-I) dated 1st September, 1977].

Recommendation

“There were no excesses over voted Grants and Charged Appropriations in the Appropriations on Accounts (Railways) for the year 1973-74. The Committee are, however, concerned to find that the position in this regard had deteriorated once again during 1974-75, when excess expenditure aggregating to Rs. 17.96 crores had been incurred under four Voted Grants and two Charged Appropriations. The Committee need hardly stress that concerted efforts should be made to minimise excesses over authorised expenditure and would like the Ministry of Railways (Railway Board) to examine the reasons for this sudden deterioration during 1974-75, with a view to adopting appropriate remedial measures.”

“The Committee note that during 1974-75, excess expenditure had been incurred mainly under ‘Grant No. 15-Open Line Works-Capital, Depreciation Reserve Fund and Development Fund’ (Rs. 16.79 crores) and that bulk of this excess had occurred on Northern Railway (Rs. 10.95 crores). The Railway Administration had considerably exceeded the Grant during 1972-73 also. The Committee find that their earlier observation in this regard contained in paragraph 2.86 of their 134th Report (Fifth Lok Sabha) have been brought to the notice of the Northern Railway Administration by Ministry of Railways (Railway Board) and trust that the Railway Administration would exercise greater care in estimating their requirements and frame their proposals more realistically in future.”

[Serial Nos. 14 & 15 Paras 2.45 and 2.46 of 227th Report of PAC Fifth Lok Sabha 1976-77].

*Draft note was received on 26-4-1977.

Action Taken

While noting that excesses have taken place under four grants and two Charged appropriations, the Committee have adversely commented upon the excess of Rs. 16.79 crores under Grant No. 15, with particular reference to the Northern Railway, where the bulk of the excess under this grant (Rs. 10.95 crores) had taken place.

The above recommendations of the PAC have been noted and brought to the notice of the General Managers, of the Zonal Railways and Productions Units, for a thorough scrutiny of the reasons for the deterioration in the position of excesses during the year and for exercising greater care in future, in estimating their requirement and for framing their budget proposals realistically.

This has been seen by Audit.

[Ministry of Railways (Rly. Board) O.M. No. 76-BC-PAC/V/227 dated the 15th March, 1977]

Recommendation

"The Public Accounts Committee (1968-69) had observed, in paragraph 2.73 of their 31st Report (4th Lok Sabha), that as there was usually no element of uncertainty or unforeseeability in the expenditure on pay and allowances, there should normally be no excess on this account. Subsequently, in response to similar observations of the Public Accounts Committee (1970-71), contained in paragraph 2.53 of their 123rd Report (4th Lok Sabha), the Public Accounts Committee (1971-72) had been informed by the Ministry of Finance that instructions had been issued to all Ministries/Departments to pay special attention to the task of achieving the objectives of various rules and orders on budgeting and control over expenditure, thereby avoiding the occurrence of excesses over sanctioned grants. The Committee are, however, concerned to note that during 1974-75 also, considerable excess expenditure was incurred under various grants on account of increased disbursement of pay and allowances, in pursuance of the Govt. decision on the recommendations of the Third Pay Commission. While some variation between the estimates and actuals is understandable on this account, the Committee feel that large variations as had occurred in Grant No. 80-Mines & Minerals (24 per cent), Grant No. 94 Atomic Energy Research, Development and Industrial Projects (49 per cent) and Grant No. 15-Open Line Works-Capital, Depreciation Reserve Fund and Development

Fund (Railways) were hardly justified. The Committee trust that all Ministries/Departments would take adequate care in future to avoid excesses on this account."

[Serial No. 16 (Para Appendix XXXI, 2.48) of 227th Report of PAC
(5 Lok Sabha)]

Action Taken

(i) Ministry of Finance (Department of Expenditure).

The conclusion/recommendation of the Committee has been noted and communicated to all Ministries/Depts. for compliance vide this Department's O.M. of even number dated 8th October, 1976.

[Ministry of Finance, Deptt. of Expenditure, O.M. No. F.12(28)-E (Coord)/76, dated the 4th November, 1976]

Copy of O.M. No. F.12(38)-E (Coord)/76 dated the 8th October, 1976, from the Ministry of Finance (Department of Expenditure) to all Ministries/Departments referred to in the Ministry's Action Taken Note.

OFFICE MEMORANDUM

SUBJECT:—227th Report of the Public Accounts Committee (5th Lok Sabha) on excesses over Voted Grants and Charged Appropriations.

The undersigned is directed to forward herewith extract of recommendation at serial No. 16 (para 2.48) of Appendix XXXI to the 227th Report of the Public Accounts Committee (5th Lok Sabha) relating to variations between budget estimates and actual expenditure and to say that the Public Accounts Committee have particularly observed that large variations as had occurred in 'Grant No. 80—Mines & Minerals' (24 per cent), 'Grant No. 94—Atomic Energy Research, Development and Industrial Projects' (49 per cent) and 'Grant No. 15—Open Line Works—Capital, Depreciation Reserve Fund and Development Fund' (Railways) during 1974-75 were hardly justified. The Ministry of Agriculture etc. and the Ministry of Steel and Mines, Ministry of Railways and Deptt. of Atomic Energy in particular are requested kindly to bear in mind the observations of the Public Accounts Committee and to pay special attention to the task of achieving the objectives of various rules and orders on budgeting and control over expenditure so as to avoid the occurrence of excesses over sanctioned grants.

(ii) **Ministry of Industry**(a) **Department of Heavy Industry.**

"The recommendations of the Committee have been noted. These have also been brought to the notice of all concerned in this Department vide this Department's letter No. G.25015/13/B&A/III/76 dated 18-10-1976."

[Ministry of Industry O.M. No. G.25015(17)-B&A/76 dated 29/30th November, 1976.]

Copy of Office Memorandum No. G. 25015(13)/B&A/II/76 dated the 18th October, 1976, from the Ministry of Industry (Department of Heavy Industry) referred to in the Department's Action Taken Note.

SUBJECT:—Recommendations of the P.A.C. contained in their 227th Report on Excesses over voted Grants and Charged Appropriations.

The Public Accounts Committee, while examining the reasons of excesses of Expenditure over the sanctioned budget allocations for the year 1974-75, have *inter-alia* observed as follows:—

Para 2.48 of the Report

"The Public Accounts Committee (1968-69) has observed, in paragraph 2.73 of their 31st Report (Fourth Lok Sabha), that as there was usually no element of uncertainty or unforeseeability in the expenditure on pay and allowances, there should normally be no excess on this account. Subsequently, in response to similar observations of the Public Accounts Committee (1970-71), contained in paragraph 2.53 of their 123rd Report (Fourth Lok Sabha), the Public Accounts Committee (1971-72) had been informed by the Ministry of Finance that instructions had been issued to all Ministries/Departments to pay special attention to the task of achieving the objectives of various rules and orders on budgeting and control over expenditure, thereby avoiding the occurrence of excesses over sanctioned grants. The Committee are, however, concerned to note that during 1974-75 also, considerable excess expenditure was incurred under various grants on account of increased disbursement of pay and allowances, in pursuance of the Govt. decision on the recommendations of the Third Pay Commission. While some variation between the estimates and actuals is understandable on this account, the Committee feel that large variations as had occurred in Grant No. 80

Mines & Minerals (24 per cent), 'Grant No. 94-Atomic Energy Research, Development and Industrial Projects' (49 per cent) and 'Grant No. 15-Open Line Works—Capital, Depreciation Reserve Fund and Development Fund' (Railways) were hardly justified. The Committee trust that all Ministries/Departments would take adequate care in future to avoid excesses on this account."

As the Committee has rightly pointed out, the expenditure on Pay and Allowances should not normally exceed the sanctioned budget allocation as there is no element of uncertainty in expenditure on this item. The Committee has desired that adequate care should be taken by all concerned to avoid excesses on this account in future. The observations of the Public Accounts Committee may be carefully noted by all concerned in this Department and scrupulously followed in future.

Action taken or proposed to be taken on the recommendations of Public Accounts Committee.

Recommendation of the Committee:

"The Public Accounts Committee (1968-69) had observed in paragraph 2.73 of their 31st Report (Fourth Lok Sabha) that as there was usually no element of uncertainty or unforeseeability in the expenditure on pay and allowances, there should normally be no excess on this account. Subsequently, in response to similar observations of the Public Accounts Committee (1970-71), contained in paragraph 2.53 of their 123rd Report (Fourth Lok Sabha) the Public Accounts Committee (1971-72) had been informed by the Ministry of Finance that instructions had been issued to all Ministries/Departments to pay special attention to the task of achieving the objectives of various rules and orders on budgeting and control over expenditure, thereby avoiding the occurrence of excesses over sanctioned grants. The Committee are, however, concerned to note that during 1974-75 also, considerable excess expenditure was incurred under various grants on account of increased disbursement of pay and allowances in pursuance of the Government decision on the recommendations of the Third Pay Commission. While some variation between the estimates and actuals is understandable on this account, the Committee feel that large variations as had occurred in Grant No. 80—Mines and Minerals (24 per cent) Grant No. 94—Atomic Energy Research, Development and Industrial Projects (49 per cent) and Grant No. 15—Open Line Works—Capital Depreciation Reserve Fund and Development Fund (Railways) were hardly justified. The Committee trust that all Ministries/Departments would take adequate care in future to avoid excesses on this account."

(b) Department of Industrial Development.

The recommendations of the Committee have been noted. These have also been brought to the notice of all concerned in this Ministry *vide* this Deptt's. letter No. G-25015(7)/B&A/76 dated 28th Sept., 1976.

[Ministry of Industry (Department of Industrial Development O.M. No. G. 25015(17)-B&A/76 dated the 29/30th November, 1976]

Copy of O.M. No. G-25015(17)/B&A/76 dated the 28th September, 1976, from the Ministry of Industry (Department of Industrial Development) referred to in the Department's Action Taken Note.

SUBJECT:—Recommendations of the P.A.C. contained in their 227th Report on Excesses over Voted Grants and Charged Appropriations.

The P.A.C., while examining the reasons of excesses of expenditure over the sanctioned budget allocations for the year 1974-75, have *inter-alia* observed as follows:

Para 2.48 of the Report:

“The Public Accounts Committee (1968-69) has observed, in paragraph 2.73 of their 31st Report (Fourth Lok Sabha), that as there was usually no element of uncertainty or unforeseeability in the expenditure on pay and allowances, there should normally be no excess on this account. Subsequently, in response to similar observations of the Public Accounts Committee (1970-71), contained in paragraph 2.53 of their 123rd Report (Fourth Lok Sabha), the Public Accounts Committee (1971-72) had been informed by the Ministry of Finance that instructions had been issued to all Ministries/Departments to pay special attention to the task of achieving the objectives of various rules and orders on budgeting and control over expenditure, thereby avoiding the occurrence of excesses over sanctioned grants. The Committee are, however, concerned to note that during 1974-75 also, considerable excess expenditure was incurred under various grants on account of increased disbursement of pay and allowances, in pursuance of the Govt. decision on the recommendations of the Third Pay Commission. While some variation between the estimates and actuals is understandable on this account, the Committee feel that large variations as had occurred in Grant No. 80—Mines & Minerals (24 per cent), ‘Grant No. 94-Atomic Energy Research, Development and Industrial Projects’ (49 per cent) and Grant No. 15-Open Line Works—Capital, Depreciation Reserve Fund

and Development Fund' (Railways) were hardly justified. The Committee trust that all Ministries/Departments would take adequate care in future to avoid excesses on this account."

As the Committee has rightly pointed out, the expenditure on Pay and Allowances should not normally exceed the sanctioned budget allocation as there is no element of uncertainty in expenditure on this item. The Committee has desired that adequate care should be taken by all concerned to avoid excesses on this account in future. The observations of the P.A.C. may be carefully noted by all concerned in this Department and scrupulously followed in future.

Recommendation

(iii) *Ministry of Shipping & Transport.*

The observation of the Public Accounts Committee has been brought to the notice of all concerned officers in the Ministry of Shipping and Transport for their information/guidance *vide* endt. No. BPC-17/76-II dated 11th October, 1976.

[Ministry of Shipping & Transport No. BPC-17/76-II dated the 11th October, 1976.]

Copy of Circular No. BPC-17/76-II dated the 11th October, 1976 from the Ministry of Shipping and Transport (Transport Wing), referred to in the Ministry's Action Taken Note.

SUBJECT:—Action taken on the recommendations contained in the 227th Report of the Public Accounts Committee Fifth Lok Sabha) on Excesses over Voted Grants/Charged Appropriations for the year 1974-75 and on the action taken by Government on the recommendations contained in their 180th Report (Fifth Lok Sabha).

In para 2.48 of their 227th Report (1976-77), the Public Accounts Committee have made the following observations:

"2.48. The Public Accounts Committee (1968-69) had observed, in paragraph 2.73 of their 31st Report (Forth Lok Sabha), that as there was usually no element of uncertainty or unforeseeability in the expenditure on pay and allowances, there should normally be no excess on this account. Subsequently, in response to similar observations of the Public Accounts Committee (170-71), contained in paragraph 2.53 of their 123rd Report (Fourth Lok Sabha), the Public Accounts Committee (1971-72) had been informed by the Ministry of Finance that instructions had been issued to all Ministries/Departments to pay special attention to the task of achieving the objectives:

of various rules and orders on budgeting and control over expenditure thereby avoiding the occurrence of excesses over sanctioned grants. The Committee are, however, concerned to note that during 1974-75 also considerable excess expenditure was incurred under various grants on account of increased disbursements of pay and allowances, in pursuance of the Government decision on the recommendations of the Third Pay Commission. While some variation between the estimates and actuals is understandable on this account, the Committee feel that large variations as had occurred in 'Grant No. 80-Mines & Minerals' (24 per cent), 'Grant No. 94-Atomic Energy Research, Development and Industrial Projects' (49 per cent) and 'Grant No. 15-Open Line Works-Capital, Depreciation Reserve Fund and Development Fund' (Railways) were hardly justified. The Committee trust that all Ministries/Departments would take adequate care in future to avoid excesses on this account."

2. The observation made by the Public Accounts Committee is brought to the notice of all concerned for information/guidance.

(iv) *Ministry of Steel & Mines (Department of Mines)*

"The Department of Mines entirely agree with the observations of the Committee. Instructions have been issued to Director General, Geological Survey of India and the Controller, Indian Bureau of Mines to take adequate care to avoid excesses of the nature in future. A copy of the instructions has been endorsed to the Establishment Division of the Department in so far as the expenditure relating to the Secretariat proper is concerned. Necessary precautions will be taken in the Accounts & Finance Cells under the Integrated Financial Adviser to ensure avoidance of such excesses.

A copy of the instructions issued to the Director General, Geological Survey of India and the Controller, Indian Bureau of Mines under the Department of Mines letter No. F. 4(11)/76-IF dated 7th September, 1976 is enclosed."

[Ministry of Steel & Mines (Department of Mines)
O.M. No. 4(11)/76-IF dt. 21 Apr. 1977]

Copy of Circular (Instructions) No. 4(11)/76-IF dated the 7th September, 1977 from the Ministry of Steel & Mines (Department of Mines) referred to in the Ministry's Action Taken Note.

In the Final Appropriation Account for the year 1974-75, the excess expenditure over Voted Grants and Charged Appropriations disclosed an excess of Rs. 28,91,337/- under Grant No. 80-Mines and Minerals, relating to the Geological Survey of India. The Public

Accounts Committee was requested to regularise the excess over Voted Grant, after the explanation relating to excess was duly vetted by Audit.

2. While reviewing the explanation furnished by the Department, the Public Accounts Committee observed as follows:

“The Public Accounts Committee (1968-69) had observed, in paragraph 2.73 of their 31st Report (Fourth Lok Sabha), that as there was usually no element of uncertainty or unforeseeability in the expenditure on pay and allowances, there should normally be no excess on this account. Subsequently, in response to similar observations of the Public Accounts Committee (1970-71), contained in paragraph 2.53 of their 123rd Report (Fourth Lok Sabha), the Public Accounts Committee (1971-72) had been informed by the Ministry of Finance that instructions had been issued to all Ministries/Departments to pay special attention to the task of achieving the objectives of various rules and orders on budgeting and control over expenditure thereby avoiding the occurrence of excesses over sanctioned grants. The Committee are, however, concerned to note that during 1974-75 also, considerable excess expenditure was incurred under various grants on account of increased disbursements of pay and allowances, in pursuance of the Government decision on the recommendations of the Third Pay Commission. While some variation between the estimates and actuals is understandable on this account, the Committee feel that large variations as had occurred in ‘Grant No. 80-Mines & Minerals’ (24 per cent), ‘Grant No. 94-Atomic Energy Research, Development and Industrial Projects’ (49 per cent) and ‘Grant No. 15-Open Line Works-Capital, Depreciation Reserve Fund and Development Fund’ (Railways) were hardly justified. The Committee trust that all Ministries/Departments would take adequate care in future to avoid excesses on this account.”

3. The Department of Mines agree with the observations of the Committee that excess of expenditure on account of increased disbursements of pay and allowances, in pursuance of the Government decision on the recommendations of the Pay Commission, should have been anticipated and provided for in the normal Budget and the excess on this account should have been avoided. Adequate care may kindly be taken to avoid excesses of this nature in future.

4. Receipt of this letter may kindly be acknowledged.

(v) *Ministry of Works & Housing*

The Committee's observations have been brought to the notice of all concerned for strict compliance.

[Ministry of Works & Housing (Finance Division—Budget Unit)
O.M. No. G-25015/18/76—BT. dated the 27th October, 1976]

(vi) *Ministry of Education and Social Welfare (Department of Social Welfare)*

The observations made by Public Accounts Committee have been noted in the Department of Social Welfare.

2. It is submitted for information that there have been no excesses over grants in the following financial years:—

1975-76
1974-75
1973-74
1972-73
1971-72

*[Ministry of Education & Social Welfare. (Department of Social Welfare O.M. No. G. 25015/3/76-I.F., dated the 22nd December, 1976)]

(vii) *Ministry of Commerce:*

"The recommendation contained in para 2.48 has been circulated to all concerned for compliance in future.

*[Ministry of Commerce O.M. No. G-25015/12/76-B&A dated the 26th October, 1976]

Recommendation

Subject to their observations contained in the preceding paragraphs of this Report, the Committee recommend that the excess expenditure referred to in paragraph 2.1 of the Report be regularised in the manner prescribed in Article 115 of the Constitution of India.

[S. No. 17 (para 2.49) of Appendix XXXI of 227th Report of P.A.C. Fifth Lok Sabha]

Action Taken

The Demands for Excess Grants (Excluding Railways) in relation to the year 1974-75 will be presented to the Sixth Lok Sabha.

[Ministry of Finance (Department of Economic Affairs) O.M. No. F. 8 (67)-B(RA)/77 dated the 25th February, 1977]

*Not vetted by Audit.

Recommendation

The Committee have been emphasising, year after year, the need for ensuring that their recommendations receive prompt attention, and also for scrupulously observing the time-scale prescribed in their 5th Report (Fourth Lok Sabha) for the furnishing of Action Taken Notes to the Committee. Though there has been no dearth of instructions in this regard, in pursuance of the Committee's earlier recommendations on the subject, the position still continues to be far from satisfactory, and unconsonable delays continue to recur. Despite many adverse comments by the Committee, only 14 Action Taken Notes relevant to the Committee's recommendations/ observations contained in their 180th Report (Fifth Lok Sabha) were received by the due date, 6th February, 1976. While the delay was of the order of about a month in 5 cases, 8 Notes had been received after a delay of two months. Two notes relating to the Department of Social Welfare were received only on 19th June, 1976, after a delay of about 4½ months, and two other Notes relating to the Ministry of Works and Housing on 5th July, 1976, after a lapse of five months. The note in regard to the Action Taken by the Ministry of Shipping and Transport on the Committee's recommendation contained in paragraph 2.10 of the Report was received only as late as 12th August, 1976, after a delay of more than six months. This, in the opinion of the Committee, is an entirely unwarranted proceeding. Given the will and with a little effort, it should be possible for the Ministries/Departments to furnish the Action Taken Notes in much quicker time and in any case save in exceptional circumstances, within the prescribed period of six months from the presentation of the Report to the House.

[Sl. No. 18 (Para 3.13) of Appendix XXXI to the 227th Report of the PAC (Fifth Lok Sabha)].

Action Taken

(i) Ministry of Works & Housing

Every endeavour is being made to send Action Taken Notes duly vetted by Audit to the Public Accounts Committee in time. Wherever any delay anticipated, extension of time is sought. We are making special efforts to furnish Action Taken Notes within the prescribed time.

[Ministry of Works & Housing O.M. No. G-25015/18/76-Bt. dated 27th October, 1976 & 1st December, 1976].

(ii) Ministry of Education and Social Welfare (Department of Social Welfare).

The Public Accounts Committee has pointed out that the Action Taken Note relating to Department of Social Welfare in respect of

the two recommendations of the Committee made in its 180th Report were received only on 19 June, 1976, after a delay of 4½ months and observed that given the will and with a little effort it should be possible for the Ministries/Departments to furnish the Action Taken Notes in much quicker time and in any case within the prescribed period of six months from the presentation of Report to the House.

2. The Department of Social Welfare requested for extension upto 20 June, 1976 to submit the Action Taken Notes. This was allowed though reluctantly, by the Chairman of the Public Accounts Committee observing that the extension was granted upto 20th June, 1976 only because the Committee was keen on collecting the facts, and that the Department should desist from putting forward untenable reasons for delay and that too without a word of apology. The Department of Social Welfare was under the impression that an apology should be made and the delay should be explained when the final reply is submitted to the Public Accounts Committee. It is for this reason nonapology was made in this office letter No. G. 25015/17/75-BGT., dated 25th May, 1976.

3. The observations made by the Public Accounts Committee are most respectfully noted for guidance.

[*Ministry of Education and Social Welfare (Department of Social Welfare) O.M. No. G. 25015/3/76-I.F., dated 22nd December, 1976].

Recommendation

The Committee have been emphasising, year after year, the need for ensuring that their recommendations receive prompt attention, and also for scrupulously observing the time-schedule prescribed in their 5th Report (Fourth Lok Sabha) for the furnishing of Action Taken Notes to the Committee. Though there has been no dearth of instructions in this regard, in pursuance of the Committee's earlier recommendations on the subject, the position still continues to be far from satisfactory, and unconscionable delays continue to recur. Despite many adverse comments by the Committee, only 14 Action Taken Notes relevant to the Committee's recommendations/observations contained in their 180th Report (Fifth Lok Sabha) were received by the due date, 6 February, 1976. While the delay was of the order of about a month in 5 cases, 8 Notes had been received after a delay of two months. Two Notes relating to the Department

*Not vetted by Audit.

of Social Welfare were received only on 19 June, 1976, after a delay of about 4 months, and two other Notes relating to the Ministry of Works and Housing on 5 July, 1976, after a lapse of five months. The Note in regard to the Action Taken by the Ministry of Shipping and Transport on the Committee's recommendation contained in paragraph 2.10 of the Report was received only as late as 12 August 1976, after a delay of more than six months. This, in the opinion of the Committee, is an entirely un-warranted proceeding. Given the will and with a little effort, it should be possible for the Ministries/Departments to furnish the Action Taken Notes in much quicker time and in any case, save in exceptional circumstances, within the prescribed period of six months from the presentation of the Report to the House.

The Committee are happy to note that certain institutional arrangements have now been devised, though belatedly, by the Department of Expenditure to monitor the timely submission of Action Taken Notes on the Committee's recommendations and that the Integrated Financial Adviser/Internal Financial Adviser in each Ministry has been made responsible for examining the reports of the Committee and for coordinating and monitoring the expeditious submission of the Action Taken Notes thereon to the Committee. It is also gratifying that a Monitoring Cell has been set up in the Department of Expenditure as the 'focal point' for the Government as a whole to coordinate the progress in this regard and monitor delays with the Ministries concerned. The Committee trust that the Finance Ministry would discharge its "nodol responsibility" in this regard effectively and also investigate the reasons for the delays in the submission of the Action Taken Notes on the 180h Report (Fifth Lok Sabha). The Committee would, in particular, like the delays that have taken place in the Department of Social Welfare and the Ministry of Works and Housing to be examined in detail, with a view to taking appropriate disciplinary or other action as may be called for.

[Serial Nos 18 and 19 (paragraphs 3.13 and 3.14) of Appendix XXXI to the 227th Report of the P.A.C. (5th Lok Sabha)].

Action Taken

The Monitoring Cell set up in the Department of Expenditure has started functioning for monitoring delays with the Ministries concerned. In order that Action Taken Notes are sent by the Ministries/Departments within the prescribed time and that extension of

time, where necessary, is applied for by them well in time, a drill of action has been prescribed in this Ministry's O.M. No. F 12 (38)-E (Coord)/76 dated 18th January, 1977. It is to be hoped that the cases of undue delays pointed out by the Committee will not recur.

2. The reasons for the delays in the submission of the Action Taken Notes on the 180th Report which took place in the Department of Social Welfare and the Ministry of Works and Housing have been examined in detail with a view to taking appropriate disciplinary or other action as may be called for. It has been found that no single individual can be held responsible for the delay which had occurred. It was mainly attributable to administrative procedures. The administrative machinery has been geared up to ensure that replies to the Reports are sent within the stipulated time schedule.

*[Ministry of Finance (Expenditure) U.O. No. F. 12 (38)-E (Coord)/76 dated the 15/16 February, 1977].

O.M. No. F-12(38)—E(Coord)/76, dated 18th January, 1977 from the Ministry of Finance (Department of Expenditure) referred to in the Ministry's Action Taken Note.

OFFICE MEMORANDUM

SUBJECT:—Timely submission of Action Taken Notes on recommendations in the Reports of the Public Accounts Committee.

The institutional arrangement to monitor timely submission of Action Taken Notes on the recommendations of the Public Accounts Committee was laid down in this Ministry's O.M. No. F. 12 (24)-E (Coord)/76 dated 28th July, 1976. It has been noticed that the position still continues to be far from satisfactory and delays continue to occur for one reason or the other. In order that the Financial Advisers are able to discharge effectively their responsibility as 'focal point', the following drill may be adopted by them with such modifications as may be considered necessary in individual cases:—

- (a) As soon as a Report is received it should be gone through to spot out the recommendations marked jointly to one or more Ministries/Departments. If there is any such recommendation, it should be determined by mutual consultation whether each Ministry/Department should submit Action Taken Notes separately or one single Action

Taken Note would suffice and if so which Ministry/Department would be responsible for the same. Such decisions should be taken at sufficiently high level (not below the level of Joint Secretary in any case).

- (b) Every endeavour should be made to finalise the Action Taken Notes within 4 months of the date of presentation of the Report to the Lok Sabha.
- (c) In respect of the recommendations on which Action Taken Notes are not finalised within 4 months, the Financial Adviser should submit a Report to the Secretary of his Ministry/Department so that the highest level is kept informed of the position.
- (d) During the 5th month the Financial Adviser should convene inter/intra-departmental meetings with the concerned officers at such level as may be deemed necessary to ascertain the reasons for delay in finalising the Action Taken Notes, to remove possible bottlenecks to cut short delays in prolonged correspondence.
- (e) If at the close of the fifth month of the presentation of the Report it is anticipated that submission of final "Action Taken Notes" will not be possible within the remaining one month, the Ministry/Department shall be advised by the Financial Adviser to seek extension of time from the Lok Sabha Sectt.
- (f) All communications addressed to Lok Sabha Sectt. regarding Action Taken Notes (forwarding copies thereof and/or seeking extension of time) will be endorsed to the Ministry of Finance, Department of Expenditure (Monitoring Cell).

2. The Ministry of Agriculture and Irrigation etc. may kindly note the above arrangements for necessary action.

Recommendation

Expressing their displeasure over the delays in the submission of the explanatory notes on excesses over Voted Grants and Charged Appropriations that continued to recur despite their earlier exhortations, the Committee, in paragraph 2.10 of their 180th Report (Fifth Lok Sabha) had specifically desired, *inter alia*, fixation

of responsibility for appropriate action for the unconscionable delays that had occurred in respect of the explanatory notes relating to Grant No. 53 of the Ministry of Home Affairs and Grant No. 75 administered by the Ministry of Shipping and Transport. While in the light of the explanations now offered by the concerned Ministries, the Committee do not wish to pursue their earlier recommendation for fixing responsibility for the delays, they cannot help expressing their unhappiness over the unduly long time taken, 'under some misapprehension', by the Ministry of Shipping and Transport in intimating the action taken on this recommendation, despite the fact that the recommendation was far from general, and specific action was also required to be taken by the Ministry. Such delay only serves to reinforce the Committee's oft-repeated observation that adequate attention is not being paid by some of the Ministries/Departments to the processing of the Committee's recommendations. The Committee trust that the measures now taken for the timely submission of the Action Taken Notes on their recommendations will have the desired impact and that such delays will soon be a thing of the past.

[S. No. 20, (para 3.20) of Appendix XXXI to 227th Report of the P.A.C. (Fifth Lok Sabha)].

Action Taken

(i) Ministry of Home Affairs

The recommendations of the Committee have been noted for compliance and necessary instructions have been issued *vide* this Ministry's Letter No. U. 15030/11/76-Ac. II dated 25th September, 1976.

The 'Note' has been vetted by Audit.

[Ministry of Home Affairs O.M. No. 21/15030/11/76-Ac. II dated the 1st November, 1976].

(ii) Ministry of Shipping and Transport

The observation of the Public Accounts Committee has been noted for compliance in future.

[Ministry of Shipping and Transport No. BPC-17/76-III dated the 11th October, 1976.]

Recommendation

While in the light of the reply now furnished by the Ministry of Works and Housing, the Committee do not wish to pursue their recommendation in regard to fixation of responsibility for the non-observance, in the present case, of the rules governing expenditure on deposit works, they would like to be informed whether the expenditure incurred in excess of the deposits has since been recovered from the Food Corporation of India.

[SL No. 21 (Paragraph 3.23) of Appendix XXXI to the Public Accounts Committee's 227th Report (Fifth Lok Sabha)].

Action Taken

A total excess expenditure of Rs. 102.02 lakhs incurred on account of various works had been reported to the Public Accounts Committee, out of which Rs. 100.33 lakhs related to the works of the Food Corporation of India and the remaining Rs. 1.69 lakhs to the works of the International Airports Authority of India (IAAI).

Out of the excess of Rs. 100.33 lakhs incurred on account of the deposit works of the Food Corporation of India, a sum of Rs. 62.49 lakhs has since been recovered from the Corporation, leaving a balance of Rs. 37.84 lakhs. Serious efforts are being made to recover the balance amount as expeditiously as possible.

As regards the excess of Rs. 1.69 lakhs incurred on account of the deposit works of the International Airports Authority of India (I.A.A.I) a sum of Rs. 1.48 lakhs has already been recovered leaving a balance of 0.21 Lakhs.

[Ministry of Works and Housing O.M. No. G-25015/19/76-Bt. dated the 16/20th May, 1977.]

Copy of Letter No. U/15030/11/76-AC II dated the 25th September, 1976, from the Ministry of Home Affairs, referred to in the Ministry's Action Taken Note.

SUBJECT:—Regularisation of Excesses over Voted Grant/Charged Appropriation—Delay in submission of 'Notes' in respect thereof to the Public Accounts Committee.

I am directed to say that in case of excess in a particular Grant a 'Note' for regularisation of excess is required to be furnished to

the Public Accounts Committee immediately after the presentation of the Appropriation Accounts before the Parliament or by 31st May, whichever is earlier. In spite of the guidelines/instructions issued from time to time in this respect it has been observed that complete information regarding excesses as disclosed in the Appropriation Accounts is not furnished in time by some of the Departments and Offices of this Ministry and also by the Union Territories (without legislature) Administration. Thus, the 'Notes' for regularisation of excesses are delayed. The Public Accounts Committee in para 2.10 of 180 the Report and para 3.20 of 227 to Report, (5th Lok Sabha), as reproduced below, have taken a serious view and have expressed their displeasure over the inordinate delays in submission of such 'Notes'.

"The Committee are once again constrained to record their displeasure over the delays in the submission of the Explanatory Notes on excesses over Voted Grants and Charged Appropriations that continue to recur despite their earlier exhortations. Out of 27 Notes relating to the expenditure incurred in excess of amounts authorised by Parliament during 1973-74, only 6 Notes had been received by the stipulated due date, 14 Notes in June and 7 Notes in July, 1975. The Committee, in particular, are unable to condone the unconscionable delays that had occurred in respect of the explanatory notes relating to 'Grant No. 75' of the Ministry of Shipping and Transport and 'Grant No. 53' (Chandigarh) administered by the Ministry of Home Affairs which were received only on 18th July and 30th July, 1975 respectively. The Committee are dissatisfied with this state of affairs and desire fixation of responsibility for appropriate action. The Committee would not countenance such delays in future".

(Para 2.10 of 180th Report).

"Expressing their displeasure over the delays in the submission of the explanatory notes on excesses over Voted Grants and Charged Appropriations that continued to recur despite their earlier exhortations the Committee, in paragraph 2.10 of their 180th Report (5th Lok Sabha) had specifically desired, *inter-alia*, fixation of responsibility for appropriate action for the unconscionable delays that had occurred in respect of the explanatory notes relating to Grant No. 53 of the Ministry of Home Affairs and Grant No. 75—administered by the Ministry of Shipping and Transport. While, in the light of the explanations now offered by the concerned Ministries, the Committee do not wish to pursue their earlier recommendations for fixing responsibility for the

delays, they cannot help expressing their unhappiness over the unduly long time taken, 'under some misapprehension' by the Ministry of Shipping and Transport in intimating the action taken on this recommendation, despite the fact that the recommendation was far from general, and specific action was also required to be taken by the Ministry. Such delays only serves to reinforce the Committee's of repeated observation that adequate attention is not being paid by some of the Ministries/Departments to the processing of the Committee's recommendations. The Committee trust that the measures now taken for the timely submission of the Action Taken Notes on their recommendations will have the desired impact and that such delays will soon be a thing of the past."

(Para 3.20 of 227th Report.)

In view of the above observations of the Public Accounts Committee you are requested to ensure that complete information regarding excesses as disclosed in the Appropriation Accounts and in respect of recommendations of the Public Accounts Committee as contained in their various Reports, relating to Appropriation Accounts, published from time to time, should be furnished to this Ministry at the earliest so as to avoid criticism from the Public Accounts Committee. The explanations for excess expenditure should be informative, illuminating and accurate and they should indicate in detail clearly how and why the variations had taken place and why had it not been possible to provide for additional funds to cover the excesses. If the excess is due to more than one factor the approximate amount due to each factor may be stated. Similarly, in cases, where information is required for preparing the Action Taken Notes on the recommendations of the Committee relating to Appropriation Accounts, the recommendations must be examined meticulously and complete information supplied to this Ministry on each of the points raised by the Committee, in the first instance, so that back references are avoided and 'Notes' are sent to the Public Accounts Committee in time.

It hardly needs be stressed that it is of utmost importance that the 'Notes' for regularisation of excesses as well as action taken on the Committee's recommendations are submitted to the Committee by the due dates by this Ministry. But this would be possible for this Ministry only if full and complete information in this regard is received from the concerned authorities in time. It is, therefore, requested that special steps may kindly be taken to ensure that furnishing of information in respect of the above matters is given TOP PRIORITY.

II. RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE REPLIES OF GOVERNMENT.

Recommendation

"The excess expenditure of Rs. 0.69 lakh incurred under the Group Head "A. 2(1)-Counsellor (Agri.), Embassy of India, Rome in 'Grant No. 1-Department of Agriculture' attracts interest since it works out to nearly 29 per cent of the Final Grant of Rs. 2.40 lakhs. The excess has been attributed, *inter alia*, to payments made on account of terminal dues and obligatory expenses for social security and medical charges to a Messenger who went on retirement and to increased payments of rent and P&T charges arising from the oil crisis and the inflation in Italy. The Committee are of the view that expenditure on superannuation and retirement benefits should have been foreseen and provided for. The additional expenditure on rent and P&T charges that could not be anticipated needs also to be satisfactorily explained."

[S. No. 5-Appendix, XXXI Para 2.6 of 227th Report of PAC
(Fifth Lok Sabha)]

Action Taken

It was hoped that the Messenger would continue to be in service for another one year. However, the Government did not agree to his continued employment and directed that he should be allowed to retire on the due date. In view of the uncertainty regarding his continuation, budget provision for payment of terminal and other dues to the messenger could not be made.

Increased expenditure on rent and P&T charges became necessary, as there was sizeable increase in rents after the oil crisis resulting in high inflation in Italy. It was not possible to foresee this factor at the time budget provision on account of (the fact that provision for) rent was made for the 1974-75 budget.

The increase in P&T charges was on account of high incidence of despatch of telegrams and Telex messages on account of the World Food Conference. This was unavoidable expenditure in connection with work relating to International Cooperation and could not be foreseen.

[Ministry of Agriculture and Irrigation (Department of Agriculture)
O.M. No. 1(19)/76-Budget dated the 10th January, 1977.]

Recommendation

"The Committee note that an excess expenditure of Rs. 7.89 crores was incurred under the sub-head 'D.2(1)—Pensions to freedom fighters and their dependents, etc.' of 'Grant No. 50-Other Expenditure of the Ministry of Home Affairs', against the Original Grant of Rs. 15.07 crores, which works out to nearly 50 per cent of the provision. Even after reappropriation in March 1975, of a sum of Rs. 2.29 crores, the shortfall in monetary requirements was of the order of 30 per cent. An excess has occurred under the sub-head for the second year in succession. While the Committee are willing to concede that it may not be possible to foresee at the Budget stage, whether the sanctions which may be accorded during the year would involve any arrear payments, they fail to understand why a less imprecise estimation is not possible at the time of framing the Revised Estimates. The increase in the number of pension cases settled during the year over the number anticipated at the time of formulation of the Budget could also have been quantified by adequate liaison with the sanctioning authorities. While deeply respectful of the role of our freedom fighters, the Committee trust that in the interests of the country, greater care would be exercised by the Ministry in this regard."

[S. No. 10-Appendix XXXI—(Para 2.23) 227th Report of the P.A.C. (Fifth Lok Sabha).]

Action Taken

"A provision of Rs. 15,06,70,000 was originally made in the Budget Estimates for the financial year 1974-75 for payment of pension to freedom fighters. At the time of review made in September, 1974, it was estimated that the total number of cases likely to be finalised by the end of financial year 1974-75 would be about 96,000. In addition to this, provision for making payment of arrears in respect of the cases sanctioned during 1974-75 was also to be made in the budget. At the time of the review of the Grant in March, 1975, a sum of Rs. 2,29,00,000 was reappropriated to meet the additional requirement of funds.

2. As against the anticipated sanctioned cases of 96,000, more cases i.e. 1,00,189 were finalised upto 28.2.75 giving 4189 cases more over and above the anticipated figure. Besides this, the payment of arrears materialised for a much larger number of cases than originally estimated and provided for.

3. The excess which amounted to Rs. 7,89,42,983 occurred because of difficulties in assessing the precise extent of disbursements during

a year in respect of fresh pension cases expected to be taken up for consideration during the year. At the stage of Revised Estimates also it was not possible to foresee whether the sanctions which might be accorded during the year would involve any arrear payments. The Scheme for Pensions to freedom fighters and their dependents, etc., was introduced, in 1972 and in a large number of cases, the pensions were sanctioned retrospectively from varying dates from 1972 onwards. Another contributory factor for excess was the increase in the number of pension cases settled during the year over the number anticipated at the time of formulation of the Budget.

As the pace at which new cases are now being finalised for the grant of pension has been considerably reduced, which does not necessitate payment of huge arrears, it is hoped that, in future, there would not be wide variations between the sanctioned budget provision and the actual expenditure."

[Ministry of Home Affairs O.M. No. 34/5/76-A.C.I dated the 10th
December, 1976].

**III. RECOMMENDATIONS/OBSERVATIONS REPLIES TO
WHICH HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND
WHICH REQUIRE REITERATION**

Nil.

IV. RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH GOVERNMENT HAVE FURNISHED INTERIM REPLIES.

Recommendation

"The Committee are perturbed that the suggestions for procedural changes in certain grants made by a Task Force, constituted nearly four years ago, in pursuance of the Committee's recommendation contained in paragraph 1.3 of their 49th Report (Fifth Lok Sabha), to analyse in detail the effectiveness of the various procedures for expenditure control, *vis-a-vis* the functioning of the system of internal financial control, still await being implemented. In spite of repeated exhortations by the Committee for an expeditious examination of these suggestions, there has been no decision yet in this regard though the report of the Task Force was available more than two years ago. The Committee stress that finality should be soon reached in this matter of importance and concrete steps should be taken to ensure sounder budgetary control than what exists at present."

[Serial No. 3 Appendix XXXI (Para No. 1.14) of 227th Report of the P.A.C. (Fifth Lok Sabha)]

Action Taken

".....The present position in regard to the remaining two suggestions of the Task Force referred to in para 1.14 of the above mentioned Report is as follows:

(i) *Expenditure on National Highways*

The legal aspects involved were last considered in an inter-departmental meeting held in August 1976, attended by Secretary Department of Legal Affairs, Secretary, Ministry of Shipping and Transport and the representative of the Department of Economic Affairs. Subsequently, the matter was considered further in the light of certain observations made by the Comptroller and Auditor General of India and it was proposed to refer the case to the Attorney General for his opinion. A draft statement of the case is being finalised for the purpose in consultation with the Comptroller and Auditor General. Further action

will be taken in the light of the opinion of the Attorney General on the constitutional and legal points involved.

(ii) *Net budgeting of works expenditure*

The matter is awaiting discussion by the Controller General of Accounts with the Comptroller and Auditor General. This is expected to take place shortly. Further action will be taken in the light of the conclusions arrived at during the said discussion.

The concerned authorities have been requested to take further necessary action on top priority basis. The final decisions of the Government would be communicated to the Lok Sabha Secretariat as soon as arrived at.....”

[Ministry of Finance (Department of Expenditure) O.M. No. F.12(38)- & (COORD)/76 dated the 24th March, 1977.]

Further Information

“The latest position in respect of the two pending recommendations of the Task Force referred to in para 1.14 of the above-mentioned Report [227th Report (1976-77) of the Public Accounts Committee], is as follows:

“(i) *Expenditure on National Highways*

The opinion of the Comptroller and Auditor General on the draft statement of the case for submission to the Attorney General is awaited.

(ii) *Net Budgeting of works expenditure*

The Ministry of Works and Housing is examining the case in consultation with their technical officers.”

[Ministry of Finance (Department of Economic Affairs) O.M. No. F. 5|21|76-IFA dated the 29th August, 1977]

APPENDIX XXXVII

Conclusions/Recommendations

S. No.	Para No. of Report	Ministry/Depart- ment concerned	Conclusions/Recommendations
1	2	3	4
1	1-8	Finance (Expenditure)	<p>The aggregate amount of excess expenditure over Voted Grants and Charged Appropriations during the past decade ranged between Rs. 3.78 crores in 1968-69 to Rs. 266.52 crores in 1974-75. The Committee had only a year ago expressed the view that the extent of deterioration under some of the Grants during 1974-75 cannot be taken lightly and should cause concern to Government. The Committee find that during the year 1975-76 excess expenditure had occurred under 45 Voted Grants and 7 Charged Appropriations which shows that the phenomenon of excess expenditure was more widely spread than in any previous year. The excess during the year is more prominently noticeable in the grants administered by the Ministry of Home Affairs, Ministry of Railways, Ministry of Defence and P&T Board. The Committee would like the Ministries concerned to take appropriate and concrete remedial measures to curb down the tendency of excess expenditure under advice to the Committee.</p>
2.	1-9	do.	<p>The analysis of the reasons for the excess over authorised expenditure during 1974-75 had generally indicated that defective</p>

Finance Expenditure estimation of monetary requirements, lack of proper and timely review of the progress of expenditure, failure to anticipate properly and provide for the receipt of stores and debits relating thereto, inadequate liaison and coordination with the suppliers on the one hand and the Accounts Officers on the other, absence of adequate provision for adjustment of liabilities relating to the previous years and avoidable misclassifications of expenditure had, as in the past, continued to contribute to excesses.

3. 1.10

-do.-

The Committee find that the reasons for excess over authorised expenditure during the year 1975-76, as analysed and discussed in some details in the succeeding Chapter of this Report are quite similar to those narrated in para 1.13 of their 227th Report (Fifth Lok Sabha). While sharing of the hope expressed by the Ministry on the anticipated improvements as a result of the scheme of Separation of accounts from Audit, the Committee would urge that the reasons for the excesses should be analysed as soon as they occur so that timely rectificatory steps could possibly be taken.

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4.

2.2

**Finance (Economic Affairs)/
Labour/Health & Family
Welfare/Department of
Atomic Energy/Defence
Railways.**

According to the revised time schedule agreed to by the Committee in April 1974, explanatory notes on excesses over Voted Grants and Charged Appropriations are required to be submitted to the Committee by 31 May, or immediately after the presentation of the Appropriation Accounts to Parliament, whichever is later. From a perusal of the statement on preceding pages, it is seen that

whereas explanatory notes relating to 30 Grants/Charged Appropriations administered by various Ministries/Departments were received within the period prescribed in the revised schedule, i.e., by 31 May, 1977, three notes relating to Grants/Appropriations administered by Ministry of Labour, Ministry of Health and Family Welfare and the Department of Atomic Energy were received on 1 June, 1977 i.e., a day after the expiry of the prescribed period. Although, the Appropriation Accounts (Railways) were laid on the Table of the House on 13 June, 1977, the explanatory notes relating to all the 12 Grants and 1 Charged Appropriation administered by the Ministry of Railways were furnished on 16 July, 1977. Similarly, the explanatory notes relating to 2 Grants administered by the Ministry of Defence, which ought to have been furnished immediately after the presentation of the Appropriation Accounts (Defence) to Parliament on 2 July, 1977, were received on 3 August 1977. The explanatory note relating to the Grants administered by the Ministry of Communications (P&T Board) was received on 24 June, 1977, i.e., the day on which Appropriation Accounts (P&T) were laid on the Table of the House.

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S. 2-3 Finance, (Economic Affairs),
Labour/Health & Family
Welfare/Deptt. of Atomic
Energy/Defence Railways.

Only a year ago, while recognising that there was a perceptible improvement in the timely submission of explanatory notes, the Committee had expressed the hope that every endeavour would be made by all concerned to ensure scrupulous adherence to the schedule. Although the above observations of the Committee were brought to the notice of all Ministries/Departments, the Committee find that some delays still continue to persist in the submission

of explanatory notes on Excesses over Voted Grants and Charged Appropriations. While three notes relating to Grants/Appropriations administered by Ministry of Labour, Ministry of Health and Family Welfare and Department of Atomic Energy were received on 1 June 1977, a day after the expiry of the prescribed period i.e., 31 May, the notes relating to all the grants administered by the Ministry of Railways were received on 16 July, 1977. The notes relating to two Grants/Appropriations governed by the Ministry of Defence were received as late as 3rd August, 1977. The Committee in particular take a serious view of this delay and desire fixation of responsibility for appropriate action. The Committee need hardly point out that time and again, it has been emphasised that any delay in the submission of these 'notes' to the Committee thwart the programme of expeditious finalisation of the Report on Excesses over Voted Grants and Charged Appropriations and presentation thereof to the Parliament. The Committee would once again like to stress the need for making all out efforts by all concerned to eliminate the avoidable delays in future by ensuring strict adherence to schedule prescribed in this regard so that the excesses are expeditiously brought before Parliament.

6. 2·7

Home Affairs/Works &
Housing/Shipping &
Transport.

That excesses over Voted Grants and Charged Appropriations administered by the Ministry of Home Affairs, Ministry of Works and Housing and Ministry of Shipping and Transport, should persist, only serves to reinforce the Committee's oft-repeated obser-

vations that adequate and serious attention was not being paid by some Ministries/Departments to the implementation of the Committee's recommendations. It seems that the instructions issued by the Ministries/Departments from time to time in this regard have failed to yield the desired results. The Committee desire that a detailed review of the existing arrangements should be undertaken in consultation with Ministry of Finance to devise suitable and effective measures with a view to remove the inherent defects in the existing systems. The Committee would like to be apprised of the result of the examination and the steps taken in this regard.

7. 2-II Finance (Economic Affairs),
Railways.

The Committee are concerned to note that during the year 1975-76, there have been misclassifications of expenditure under eight grants administered by Ministry of Railways on a fairly large scale. In spite of the instructions repeated in D.O. letter No. F. 11 (8)/N&M/75 dated the 25th April, 1975, by the Ministry of Finance (Department of Economic Affairs), that the 'reconciliation work has to be attended to promptly every month so that rectification of errors, misclassifications, if any, is effected in time, resulting in better control over expenditure *vis-a-vis* the budgetary provision' the Committee are constrained to observe that the important work of reconciliation of departmental figures with those accounted for in the Accounts Offices appears ineffective.

Taking a serious view of the matter, the Public Accounts Committee (1975-76) in paragraph 2.4 of their 180th Report (Fifth Lok Sabha) had observed as follows:

"That this should be so despite earlier recommendations of

the Committee emphasising the need for prompt reconciliation of accounts would indicate that adequate attention is not being paid by the concerned Ministries to this important aspect of accounting and that the instructions issued from time to time in this regard have failed to produce the desired effect. As such mis-classifications vitiate sound budgetary control, the Committee desire that necessary remedial measures should be taken to eliminate the default."

8. 2·12 Finance (Economic Affairs)/Railways."

The Committee deplore such recurrent lapses and desire that positive instructions should be issued by the Ministry of Finance and the Ministry of Railways to eliminate such misclassifications in future. The Committee would also like to have a categorical statement from the Ministry of Finance whether a certificate to the effect that the reconciliation work has been completed by the due date is invariably furnished by the Internal Financial Adviser concerned to their Budget Division, as per instructions issued by them on the 25th April, 1975.

9. 2·16 Department of Agriculture

The excess expenditure of Rs. 2.11 lakhs under the Group head 'A—2(1) Counsellor (Agri) Embassy of India, Rome' under 'Grant No. 1—Department of Agriculture', works out to nearly 84 per cent of the Final Grant of Rs. 2.50 lakhs. This is not the first occasion when excess under this Group head has come to the notice of the

Committee. An excess of nearly 29 per cent under this Group Head was also reflected in the preceding Appropriation Accounts (Civil), 1974-75. The excess has been attributed, *inter alia*, to higher medical charges, increased payments of rent of buildings and inflation in Italy, as in the preceding year. The Committee are firmly of the view that the additional expenditure on medical charges and rent could have been foreseen and provided for. The Committee would like to be informed of the reasons as to why taking advantage of the preceding year's experience, the factor of increased expenditure on rent and the inflationary trend following oil crisis was not anticipated at the time of obtaining original as well as supplementary provisions.

10. 2-19 Department of Revenue &
Banking

The Committee note that the excess under the Voted expenditure of Department of Revenue and Banking for the year 1975-76 occurred mainly under the heads 'A1.(1)—Investigation' and 'A 2(1) Commissioners and their offices'. An excess has occurred under the head 'Salaries' for the second year in succession. Against the final grant of Rs. 33.44 crores, in the Appropriation Accounts for the year 1974-75 the excess expenditure disclosed was Rs. 46.34 lakhs. Against the final grant of Rs. 42 crores during the year 1975-76 the actual expenditure booked amounted to Rs. 42.13 crores, leaving an uncovered excess of about Rs. 13 lakhs. This excess was caused by an unforeseen increase in expenditure on payment of reward to employees equal to their one month's basic pay granted in recognition of the 'success' of the Voluntary Disclosure Scheme, increase in the cost of various stores purchased etc., and the arrears on account of additional instalments of dearness allowance. As there was usually

no element of uncertainty or unforeseenability in the expenditure on pay and allowances, there should normally be no excess on this account. This has repeatedly been reiterated by the Committee in the past.

The Committee (1976-77) had expressed concern over this phenomenon in paragraph 2.48 of the 227th Report (5th Lok Sabha) and had indicated that while some variation between the estimates and actuals was understandable on this account, large variations as had occurred were hardly justified. The Committee hope that the Department of Revenue and Banking which has again witnessed excess expenditure on account of pay and allowances, would take adequate care in future to avoid excesses on this account

11. 2-23 Finance (Economic Affairs)

The excess expenditure of Rs. 15.24 lakhs incurred in the Grant 'Currency, Coinage and Mint' attracts interest on two counts. Bulk of it was caused under the Group head 'A. 4(1)—Loss on destruction of withdrawn coins'. The total grant under this Group head was Rs. 85.81 lakhs, whereas the expenditure was Rs. 121.58 lakhs. The excess of Rs. 35.77 lakhs works out to 41.5 per cent. Commenting on the excess that occurred under this head in the year 1974-75, on account of 'purchase of metals', the Committee (1976-77) had observed that it was a matter of great concern since the excesses occurred in a grant administered by the Department of Economic Affairs, entrusted with the responsibility of ensuring better financial

discipline. The Committee have now been informed that the Mint Masters/General Manager of all the Undertakings have been instructed to make a realistic assessment of their requirements of funds at the budget stage itself and to keep constant vigil on the expenditure incurred from time to time. The Committee are not certain how the instructions issued to Mint Masters will take care of the need for accurate estimation of the difference between the face value of uncurrent and withdrawn coins received from Banks and Treasuries and the metal value thereof at the prevalent rates. The Committee desire that the Department of Economic Affairs should review their instructions to ensure better estimation in future.

12. 2.26

-Do-

The Committee note that but for savings under other sub-heads, the excess under the heads A.2. (1)—Ordinary Pensions, A.4 Gratuities and A. 5 Family Pension would have amounted to Rs. 252.87 lakhs, representing 31.14 per cent of the provision sanctioned against these heads. Bulk of the excess occurred under the sub-head 'A. 4—Gratuities', where the final grant was Rs. 476.06 lakhs and the actual expenditure was Rs. 637.76 lakhs with an excess of Rs. 161.70 lakhs. There occurred a similar excess of Rs. 24.94 lakhs under Grant '10—Pension and other Retirement Benefits' in the Appropriation Accounts (Civil) for 1972-73. The Committee would urge that recurrence of excess under this head should be avoided by better coordination and liaison between the Ministry of Finance who control this grant, and the Accounts officers, who

arrange and account for pension payments. The Committee would watch the improvements effected in this behalf through future Appropriation Accounts.

13. 2-29 Deptt. of Revenue & Banking The Committee note that of the excess of Rs. 1,12,99,534 under the Grant No. 39—Opium and Alkaloid Factories, a sum of Rs. 81,57,459 is the result of double adjustment of expenditure on certain purchases of opium for the factory at Neemuch and the Accountant General in whose books it was erroneously adjusted and he could not rectify it before the close of the accounts for 1975-76. The Committee had in the past repeatedly expressed concern about the significant misclassifications and erroneous adjustments in accounts that occurred in certain Grants and had hoped that the reconciliation of expenditure booked in accounts with the departmental figures would be done promptly in future. The Committee are of the view that double adjustment of expenditure is a serious error in the proper upkeep and maintenance of books of accounts and could and should have been detected if adequate attention had been paid to prompt reconciliation of departmental figures with the accounts figures. As misclassifications and erroneous adjustments vitiate budgetary control. the Committee desire that procedures should be tightened up and responsibility, particularly at the supervisory level should be fixed, for appropriate action whenever such lapses come to notice.

14. 2.30 -Do-

The Committee find that the remaining excess of Rs. 31.42 lakhs is mainly due to delayed adjustment of debits on account of customs duty on Codeine Phosphate imported. This is not the first occasion when an instance of this nature has come to the Committee's notice. During the year 1972-73, an excess of Rs. 1.90 lakhs had occurred under the Grant due to belated adjustments of past liabilities of Rs. 11.90 lakhs on account of duty levied on the import of codeine phosphate. In the opinion of the Committee recurrence of such excesses could well have been avoided by a closer watch and control over recurring liabilities of this nature.

15. 2.36 Finance (Economic Affairs)

The Committee find that the overall excess under the Appropriation "Interest Payments" after setting off savings comes to Rs. 7.34 crores. It is significant that but for the savings, the real excess would have been much more. The Committee are not satisfied with the explanation furnished by the Department that adjustment in accounts could not be effected before the close of the financial year, for according to the Department itself, prompt reconciliation of departmental figures with the figures booked in accounts could have been done avoiding the excess. The Committee can only hope that excesses of this nature will not recur in view of the departmentalisation of Accounts. They would like to watch improvements in this behalf through successive Appropriation Accounts.

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16. 2.39 -Do-

Even though the excess expenditure of Rs. 163.85 lakhs under Grant No. 41—Other Expenditure again administered by the Budget Division of the Ministry of Finance resulting from erroneous adjust-

ment in accounts, does not require regularisation, in terms of paragraph 7 of the 16th Report of the Public Accounts Committee (First Lok Sabha), the Committee are concerned to note that timely reconciliation of accounts was not done as a result of which the erroneous adjustment came to notice only after the close of the accounts for 1975-76, when it could not be rectified. The Committee would like the Ministry of Finance to examine the lapse with a view to seeing that such lapses do not recur in future.

17. 2.43 Health & Family Welfare

The Committee note that an excess expenditure of Rs. 6.20 crores was incurred during 1975-76 under various sub-heads in the Capital Section of 'Grant No. 44—Medical and Public Health', against the original grant of Rs. 32.04 crores, which works out to nearly 19 per cent of the original provision. But for savings under other sub-heads in the Grant, the excess expenditure would have been as high as Rs. 8.30 crores, i.e., nearly 25 per cent of the original provision. The Committee find that out of an excess of Rs. 385.32 lakhs under head 'AA.1(I) (3)—Purchase of materials in India and Abroad', a sum of Rs. 235.51 lakhs was due to the belated adjustment of debits for stores received by Medical Stores Depots in 1974-75. Again, the excess of Rs. 101.58 lakhs under head 'BB. 1(1) (1)—National Malaria Eradication Programme (Rural)' was due to belated adjustment in the accounts for 1975-76 of debits raised in 1970-71, 1973-74 and 1974-75

in respect of procurements through DGS&D. It is not clear to the Committee why the liabilities on account of stores procured in 1970-71, 1973-74 and 1974-75 could not be anticipated earlier, at least at the stage of the Revised Estimates. The Committee find that their earlier recommendation made in paragraph 2.19 of their 134th Report (Fifth Lok Sabha) 'for better coordination with the Suppliers' Organisations and the Accounts Officers' have failed to produce the desired effect. The Committee desire that the recurrent lapses on this account may be seriously looked into, with a view to fixing responsibility at the supervisory level and in order to avoid recurrence of such excesses in future. They would like to have a report in this behalf.

18. 2.46 Home Affairs

The Committee note that the excess expenditure of Rs. 5.84 lakhs occurred under sub-heads 'A. 1—Central Reserve Police, A. 2(1)—Directorate General of Border Security Force, A. 4—Assam Rifles and A. 8(2)—Charges paid to other Government Departments' etc. Excess expenditure is *inter alia* attributed to revision of pay scales of officers, payment of additional dearness allowances etc. The Public Accounts Committee (1976-77) had in paragraph 2.48 of their 227th Report (Fifth Lok Sabha) expressed concern over considerable excess expenditure incurred under various grants on account of increased disbursement of pay and allowances, in pursuance of the Government decision on the recommendations of the Third Pay Commission and had hoped that all Ministries/Departments would take adequate care in future to avoid excesses on this account. The Committee would reiterate its earlier observation contained in paragraph 2.73 of their

31st Report (Fourth Lok Sabha), that 'as there was usually no element of uncertainty or unforeseeability in the expenditure on pay and allowances, there should normally be no excess on this account'. The Committee would like the Ministry to take effective measures to curb for good, this growing tendency of excess expenditure under the head 'salaries'.

19. 2.50 Home Affairs

The Committee note that excess expenditure under sub-head A. 12(3) and A. 14(3) 'Maintenance & Repairs' (Grants No. 54 and 52 respectively) administered by Andaman and Nicobar Administration and Delhi Administration respectively, and C. 3(5)—Plant Protection under Grant No. 57 administered by Laksha dweep Administration has *inter alia* been attributed to rise in the cost of materials and enhancement in labour costs. The Committee would like to know why the effect of the rise in the cost of materials could not be anticipated at least at the time of preparation of revised estimates and adequate funds provided for in the Supplementary Budgets. The Delhi Administration incurred additional liabilities on out lay on urban development for the capital works exceeding the final provision by Rs. 710.33 lakhs. The Committee desire that in future it will be ensured that additional liabilities are incurred only when adequate provision exists. The Committee also trust that in future, the revised estimates will be prepared with greater care by the respective

Administrations so that the excess, if any, over voted grants is minimised, if not altogether avoided.

20 2·54 Shipping & Transport (Roads Wing)

The Committee note that the gross excess under the head 'A. 2(1)—Maintenance of National Highways' of Rs. 257.36 lakhs represents about 14.3 per cent of the original budget provision. The excess under this head has almost become a recurring feature. The reasons attributable to the excess are that extensive repair works were undertaken on the National Highways damaged by heavy rains in various parts of the country and increase in cost of material and labour for maintenance works as compared to the norms prescribed by the Central Government. The maintenance and repair works are undertaken by the various State Governments who are the executing agencies of the Central Government for the development and maintenance of the National Highways. The Committee are unable to understand why the increase in cost of materials and labour could not be anticipated in close and functional coordination with the State Highway authorities and fully provided for while framing the Revised Estimates, if not earlier. It seems the instructions issued in the past have had little effect in improving the budgetary procedures and controls in the Ministry. The Committee would in particular like the Ministry to examine critically specific steps taken in the implementation of the instructions issued repeatedly by them to tighten up the budgetary procedures and controls in order to identify as to what further steps are necessary to contain the recurring phenomenon of excesses over voted grants/charged appropriations.

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21	2·58	Deptt. of Atomic Energy	<p>The Committee note that during the year 1975-76, but for savings under other sub-heads, the excess would have been over Rs. 6 crores under the Capital Section of Grant No. 96—Nuclear Power Schemes. The uncovered excess was brought down to Rs. 29.34 lakhs, which highlights the extent to which the estimates have been over-pitched in respect of certain items of expenditure. That adequate attention is not being paid to careful and realistic framing of estimates of expenditure is evident from the repeated instances of wide gap between the Budget Estimates and actual expenditure. The Committee would like to impress upon the Department of Atomic Energy the need to exercise greater caution and realism in framing their estimates in future.</p>
22	2·59	-Do-	<p>They would also like to have a report on the outcome of the claims for refund of excess duty paid which are reported to have been lodged with the Customs authorities.</p>
23	2·62	Defence	<p>The Committee note that bulk of the excess of Rs. 61.26 crores under Grant No. 19—'Defence Services—Army' is attributed to Pay and Allowances of Army (Rs. 19.78 crores) due to upward revision of ration allowance of Other Ranks, arrears of pay and allowances etc. and Ordnance Factories (Rs. 34.78 crores) due to more materialisation of supplies and increased requirements and adjustment of debits for</p>

customs duty. The Committee are of the view that since there was usually no element of uncertainty or unforeseeability in the expenditure on pay and allowances, there should normally be no excess on this account. The Committee find that an excess of Rs. 8.93 crores was attributable to increased tariff rates of water and electricity supply and the cost of works services and special repairs etc. They also feel that the factors of higher materialisation of supplies than anticipated and adjustment of debits, could have been anticipated more precisely at least at the time of obtaining supplementary grant in January and March 1976 and by a more effective coordination and liaison with the suppliers and the Accounts Organisations. That this was not done is regrettable. The Committee trust that sounder budgetary control will be exercised by the Ministry in future to avoid recurrence of excesses of this nature.

The Committee observe that an excess expenditure of Rs. 7.42 crores under Grant No. 21—Defence Services—Air Force has been attributed to increase in rates of pay and allowances, higher trend of expenditure than anticipated on transportation charges and increased expenditure on P.O.L., rise in prices, delay in payment for supplies and in execution of repair works on Air frames and engines. Only last year, the Committee (1976-77) had, in paragraph 2.36 of their 227th Report (5th Lok Sabha) observed:

“The Committee have carefully considered the explanation offered by the Ministry of Defence for the excess expenditure of Rs. 9.21 crores under ‘Grant No. 21—Defence

Services—Air Force' and are of the view that much of the expenditure could have been foreseen and adequately provided for by a more effective monitoring of materialisation of supplies and receipt of debits, relating thereto. For instance, since the escalation in the prices of P.O.L. products became effective from 2 March 1974, in the preceding financial year itself, the Committee are unable to appreciate why the additional liabilities on this account could not have been foreseen and estimated more realistically and provided for at least in the Supplementary Budget. It should have also been possible to provide for the payments relating to supplies made prior to 1974-75 by closer coordination with the suppliers on the one hand and the Accounts Officers on the other. The increased expenditure on repairs/overhaul of air frames and engines and additional payments for Viper engines should have also been anticipated and adequately provided for. The Committee note that tighter budgetary discipline is now being attempted through closer watch over the flow of expenditure and that suitable instructions have been issued to ensure, in future, better anticipation of liabilities, for making timely additional provision, wherever warranted. The Committee hope that these measures would have the

desired effect and that excesses on these accounts would be considerably minimised in future.”

25 2·66 Defence

The Committee are surprised to note from the explanatory note offered for the excess in 1975-76 that even though the excess expenditure under pay and allowances (Rs. 3.35 crores) and transportation charges (Rs. 2.13 crores) was anticipated to a certain extent even at the time of finalisation of the Revised Estimates, this could not be done more accurately, resulting in a net excess of Rs. 7.42 crores under Grant No. 21—Defence Services—Air Force. The Committee would like to know the reasons therefor as also the steps taken for more accurate estimation of expenditure in future.

26 2·69 Communications (P&T Board)

The Committee note that an excess of Rs. 11.95 crores occurred under Grant No. 17 ‘Capital Outlay on Posts and Telegraphs’ during the year 1975-76. There was an excess expenditure of Rs. 9.04 crores under this grant during the year 1974-75 also. The Committee would like to know why the increase in costs and quantities of telephone equipments, and increase in procurement of general stores could not be anticipated and provided for. The Committee were informed by the P&T Board in February, 1976 that a decision had been taken to purchase articles required solely for the P&T Department directly and not through the agency of DGS&D, which was expected to improve the Budgetary control. The Committee would like to observe through the next year’s Appropriation Accounts how far direct purchases have improved the budgetary control.

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27	2·73	Railways	<p>The Committee find that excess expenditure occurred under 12 Voted Grants out of a total of 23 Voted Grants and under one Charged Appropriation out of a total of 12 Appropriations administered by the Ministry of Railways aggregating Rs. 85.79 crores. The percentage of real excess works out to 10.76 under Grant No. 8 and 16.18 under Grant No. 16. That the position should deteriorate to this extent after the year 1973-74 which did not witness any excesses, calls for concerted effort to identify the reasons for deterioration with a view to adopting appropriate remedial measures.</p>
28	2·74	-do-	<p>The Committee note that the excess expenditure under Grant No. 15—Open Line Works—Capital, Depreciation Reserve Fund and Development Fund, has almost becomes recurring feature. In 1975-76, the excess expenditure was Rs. 46.04 crores against Rs. 16.79 crores incurred during 1974-75. There was also considerable excess of Rs. 9.24 crores under this Grant in 1972-73. The excess during 1975-76 occurred on all the Railways except Central Railway and on the Chittaranjan Locomotive Works. The Committee find from the note dated 15-3-1977 that the Railway Administration had brought the Committee's recommendations contained in paragraphs 2.45 and 2.46 of their 227th Report (5th Lok Sabha) to the notice of the General Managers of the Zonal Railways and Production Units, for a through scrutiny of the reasons for the deterioration in the position of excesses during the year 1974-75 and for exercising greater</p>

care in future in estimating their requirements and for framing their budget proposals realistically. The Committee trust that the improvements effected would be reflected in the future Appropriation Accounts.

29 2.75 Finance (Economic Affairs)

Subject to the above observations contained in the preceding paragraphs of this Report, the Committee recommend that the excess expenditure referred to in paragraph 2.1 of the Report be regularised in the manner prescribed in Article 115 of the Constitution of India.

30 3.7 Finance (Expenditure)/ De-
fence/Works & Housing/
Home Affairs

The Committee find that while 25 Action Taken Notes were received by the due date *i.e.*, 28 February 1977, five notes were received upto 3 months after the due date. There was delay of the order of about a month in three cases. Two Notes were received in April 1977. Of these, one pertaining to the Ministry of Home Affairs was received on 14 April 1977 whereas the other draft Note from the Ministry of Defence was received on 26 April 1977. Yet another note from the Ministry of Works and Housing was received at the end of May 1977. In one case, pertaining to the Ministry of Finance (Department of Expenditure), Action Taken Note has not yet been finalised by them. The Committee take a serious view of the persistent delay taking place in the submission of Action Taken Notes and would like to be apprised of the measures contemplated by the Ministry of Finance to ensure that final Action Taken Notes on the Committee's recommendations are invariably furnished to them within the stipulated time limit of six months.

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31	3·8	Finance (Expenditure)	<p>In reply to quite a few recommendations (cf. Sl. Nos. 1, 2, 7 and 16), it has generally been indicated that with the introduction of the schemes of Integrated Financial Advisers and Separation of Accounts from Audit and the introduction of departmentalised accounting system, it was hoped that greater post-budget vigilance would be exercised by the Ministries for effective control over expenditure. The Committee would like Government to make a periodical analysis of the position in regard to excess grants obtaining prior to and after the introduction of the scheme of separation of Accounts from Audit and also the extent of improvement brought about as a result thereof. The impact of the move so implemented should be reflected in the Appropriation Accounts of the current financial year.</p>
32	3·9	Do.	<p>The Committee would like that final replies to the recommendations on which interim replies have so far been sent are furnished to them, duly vetted by Audit, without further delay.</p>
33	3·18	Finance (Economic Affairs)/ (Expenditure/ Shipping & Transport	<p>The Committee are once again constrained to observe that inspite of repeated recommendations by them for an expeditious examination of the suggestions made by the Task Force over 3 years back, no finality has yet been reached in this matter of importance, with the result that excess expenditure mainly in the grant relating to the maintenance of national highways has become a recurring feature over years. Surprisingly, the excesses under the head 'A.2(1)—</p>

Maintenance of National Highways' during the year 1975-76 were as high as Rs. 2,57,35,778. In their explanatory note, the Ministry of Shipping and Transport (Roads Wing) have indicated that 'the excess was mainly due to extensive repair works undertaken on the national highways damaged by heavy rains in various parts of the country and increase in cost of material and labour for maintenance works as compared to the norms prescribed by the Central Government'. The Maintenance and repair works were undertaken by the various State Governments who are the executing agencies of the Central Government for the development and maintenance of national highways.

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The Committee would, urge that final action on the recommendations specially aimed at streamlining budgetary procedures be initiated without further loss of time so as to ensure sounder budgetary control than what exists at present, particularly in respect of certain grants administered by the Ministry of Shipping and Transport. The Committee have also dealt with particular excesses relating to the grant 'Maintenance of National Highways' that occurred during 1975-76 separately in Chapter II of this Report.

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