

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5825
ANSWERED ON:30.04.2010
PROPORTION OF OTHER EXPENDITURE IN NON-PLANNED EXPENDITURE
Nahata Smt. P. Jaya Prada

Will the Minister of FINANCE be pleased to state:

- (a) whether in current budget of 2010-11, other expenditure constitutes 30 per cent of the non-planned expenditure;
- (b) if so, the details of amount shown as other expenditure and percentage thereof during the last three years, year-wise;
- (c) whether Comptroller and Auditor General (C&AG) has questioned the components and amount of other expenditure in general budget of 2007-08 and 2008-09; and
- (d) if so, the details of objections of C&AG and response of the Ministry of Finance thereto?

Answer

Minister of State in the Ministry of Finance(NAMO NARAIN MEENA)

(a) No, Sir

(b) Does not arise.

(c) and (d) : The report of the Comptroller & Auditor General of India for the year ended March 2009 is awaited. However, the report for the year ended March 2008 had stated that "Rs.20273.52 crores under 28 Major Heads of Accounts (representing functions of the Government) has been classified as 'other expenditure' in Union Government Finance Accounts constituting more than 50% of the total expenditure recorded under the respective Major Heads indicating significant degree of opaqueness in these accounts".

It is stated that, while Major Heads of Accounts represent functions of Government, the minor head 'other expenditure' below the Major Head is used for budgeting and accounting of schemes which cannot be appropriately grouped under the existing programmes of Government (as represented by the existing minor heads of account under the relevant Major Heads). The need for this arises as the multifarious activities undertaken by Government cannot sometimes be linked to the nomenclature of the existing programmes. The opening and operation of this head is in accordance with the rules/ accounting classification prescribed with the advice of the C&AG. The amounts are budgeted and spent for bonafide schemes of Government after obtaining necessary approval of Parliament. Complete details of the expenditure for such schemes are brought to the notice of Parliament and are available in the public domain. These are also subject to scrutiny by C&AG.

Pursuant to the observations made by the C&AG, Ministry of Finance has issued instructions to all Ministries to constantly review the operation of these heads.