

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:6894  
ANSWERED ON:07.05.2010  
OTHER EXPENDITURES  
Ram Shri Purnmasi

**Will the Minister of FINANCE be pleased to state:**

(a) whether scrutiny of Union Government finance accounts 2007-08 discloses that Rs.20273.52 crore under 28 major heads of accounts (representing functions of the Government) have been classified under the minor head '800-other expenditure' constituting more than 50 per cent of the total expenditure recorded under the respective major heads;

(b) whether some significant expenditure items such as Indira Awas Yojana, Mission Flexible Pool towards utilization for projects for North-Eastern region and Sikkim, subsidy for Haj Charters, construction of rural godowns, national fellowship for scheduled castes have not depicted distinctly in the finance accounts but have been rolled up in the minor head 'other expenditure'; and

(c) If so, the reasons for classifying the major heads of accounts under minor head and for not depicting distinctly the expenditure items in the aforesaid manner?

**Answer**

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

(a) Yes, Sir

(b) Yes, Sir

(c) The Classification system adopted by Government in the Finance Accounts is on the advice of C&AG. Under the classification system, Major and Sub major Heads of Accounts represent functions and sub-functions of Government. The Minor heads below the major heads represent programmes of Government. The minor head 'Other Expenditure' is used for budgeting and accounting of schemes which otherwise 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 the head 'other expenditure' 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 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.

As recently advised by the C&AG, significant expenditure have also been depicted distinctively through footnotes appearing at relevant places in the Union Government Finance Accounts 2007-08, for clarity.