

PUBLIC ACCOUNTS COMMITTEE (1959-60)

TWENTY-THIRD REPORT

(SECOND LOK SABHA)

PARLIAMENT LIBRARY
DIGITIZED

[Excesses over Voted Grants and Charged Appropriations
disclosed in the Appropriation Accounts (Civil),
1957-58]

LIBRARY

14428(8)
25.2.1960

336.3951R
LS 36 PAC. 23



LOK SABHA SECRETARIAT
NEW DELHI

February, 1960
Magha, 1881 (Saka)

Price: Rs. 1.00

CONTENTS

Page
(iii)

Composition of the Public Accounts Committee

PART I

Introduction	I
Excess Grants/Appropriations	2-8

PART II

Proceedings of the sittings of the Public Accounts Committee—

Twenty-ninth sitting relating to the consideration of the Excesses under Grant No. 1—Ministry of Commerce & Industry (Voted)	11-12
Thirty-fourth sitting relating to excesses—Ministry of Finance	13
Thirty-fifth sitting relating to the consideration of the Excess under Grant No. 15—Survey of India (Voted)	14
Forty-first sitting relating to excesses—Ministry of Home Affairs	15
Fifty-first sitting—consideration of the Draft Report	16-17

APPENDICES

I. Note from the Ministry of Commerce & Industry in respect of Grant No. 1—Ministry of Commerce & Industry (Voted)	21-22
II. Note from the Ministry of Scientific Research & Cultural Affairs in respect of Grant No. 15—Survey of India (Voted)	23-24
III. Note from the Ministry of Health in respect of Grant No. 4—Public Health (Voted)	25
IV. Note from the Ministry of Home Affairs in respect of Grant No. 55—Census (Voted)	26-27
V. Note from the Ministry of Home Affairs in respect of Grant No. 60—Manipur (Voted)	28-32
VI. Note from the Ministry of Home Affairs in respect of Grant No. 61—Tripura (Voted)	33-35
VII. Note from the Ministry of Irrigation & Power in respect of Grant No. 67—Ministry of Irrigation & Power (Voted)	36
VIII. Note from the Ministry of Irrigation & Power in respect of Grant No. 123—Other Capital Outlay of the Ministry of Irrigation & Power (Voted)	37-38
IX. Note from the Ministry of Transport & Communications (Department of Communications & Civil Aviation) in respect of Grant No. 87—Over-seas Communications Service (Voted)	39-42
X. Note from the Ministry of Transport & Communications (Department of Transport) in respect of Grant No. 90—Communications (including National Highways) (Voted)	43-45

	Page
XI Note from the Ministry of Works, Housing and Supply in respect of Grant No. 94—Other Civil Works (Voted & Charged)	46—53
XII. Note from the Ministry of Finance in respect of Excess over Charged Appropriation under Interest on Debt and other obligations and reduction or Avoidance of Debt	54-55
XIII. Note from the Ministry of Finance in respect of Grant No. 28—Customs (Charged)	56
XIV. Note from the Ministry of Finance in respect of Grant No. 30—Taxes on Income including Corporation Tax and Estate Duty (Charged)	57
XV. Procedure regarding control of expenditure incurred by one department on behalf of another in respect of Supplies and Services and adjustment of debits therefor.	58—64

COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE
1959-60

CHAIRMAN

Shri Upendranath Barman*

MEMBERS

2. Shri T. Manaen
3. Shri Maneklal Maganlal Gandhi
4. Pandit Jwala Prasad Jyotishi
5. Shri Shamrao Vishnu Parulekar
6. Shri Radha Raman
7. Shri Rameshwar Sahu
8. Shri T. R. Neswi
9. Shri Raghubar Dayal Misra
10. Shri T. Sanganna
11. Shri Vinayak Rao K. Koratkar
12. Shri Jaipal Singh
13. Shri Aurobindo Ghosal
14. Shri Yadav Narayan Jadhav
15. Shri Shraddhakar Supakar
16. Shri Amolakh Chand
17. Rajkumari Amrit Kaur
18. Shri Rohit Manushankar Dave
19. Shri T. R. Deogirikar
20. Shri Surendra Mohan Ghose
21. Shri Jaswant Singh
22. Shri S. Venkataraman.

SECRETARIAT

Shri S. L. Shakhder—*Joint Secretary.*

Shri V. Subramanian—*Deputy Secretary.*

Shri Y. P. Passi—*Under Secretary.*

*Shri Upendranath Barman was elected to serve as a Member of the Public Accounts Committee on the 10th September, 1959 *vice* Dr. P. Subbarayan, who ceased to be a Member of the Committee on his appointment as a Minister and was appointed as the Chairman of the Committee on the 12th September, 1959.

REPORT ON EXCESSES OVER VOTED GRANTS AND CHARGED APPROPRIATIONS DISCLOSED IN THE APPROPRIATION ACCOUNTS (CIVIL), 1957-58.

I

INTRODUCTION

I, the Chairman of the Public Accounts Committee, having been authorised to present the Report on their behalf, present this Twenty-third Report on the Excesses over Voted Grants/Charged Appropriations as disclosed in the Appropriation Accounts (Civil), 1957-58, which were presented to the House on the 27th August, 1959.

2. In para 2 of their Sixteenth Report (Second Lok Sabha) while commenting upon the persistent delays on the part of the various Ministries in furnishing explanatory notes on excesses, the Committee had agreed to the extension of the time-limit for the submission of such notes from four weeks to two months from the date of presentation of the Appropriation Accounts and Audit Report to Parliament, and expected that the Ministries would take steps to stick to this time-limit strictly in future. *The Committee, however, note that in spite of the extension of the time-limit, most of the Ministries did not furnish the requisite notes in time as will be seen from the dates shown in column 7 of the statement in para 5 below. The Committee regret that the Ministry of Finance, who is expected to set an example to other Ministries, is also among the defaulters.*

Such delays not only dislocate the Committee's programme of business but also militate against timely examination of the various financial lapses. The Committee, therefore, expect the Ministries to observe the prescribed time-limit. The Ministry of Finance, who is ultimately responsible for regularising the excesses over Grants/Charged Appropriations, should also watch the submission of the notes in time and take necessary steps in this direction.

3. The Committee examined the Voted Grants/Charged Appropriations in question at their sitting held on the 30th November, 1959, 4th, 5th and 14th December, 1959, in the light of the explanations furnished by the Ministries concerned (Appendices I to XIV) and also the evidence given by the representative of the Ministry of Commerce and Industry.

The Committee considered and approved this Report at their sitting held on the 10th February, 1960.

4. A brief record of the proceedings of the above-mentioned sittings of the Committee has been maintained and forms part of the Report.

II

EXCESS GRANTS/CHARGED APPROPRIATIONS

5. During the year ended the 31st March, 1958, the actual expenditure exceeded the Voted Grants/Charged Ap-
propriations in the following cases :—

Serial No.	No. and Name of Grant	Ministry concerned	Final Grant/ Appropri- ation	Actual expenditure	Excesses	*Date of receipt of the note
1	2	3	4	5	6	7
			Rs.	Rs.	Rs.	
			Voted Grants			
	1. I-Ministry of Commerce and Industry.	Commerce and Industry	54,76,000	55,40,572	64,572	28-11-59
	2. 15-Survey of India	S.R. and C.A.	1,64,85,000	1,67,81,550	2,96,550	17-12-59
	3. 49-Public Health	Health	9,17,65,000	9,18,20,123	55,123	11-11-59

A

4.	55-Census	Home Affairs	11,19,000	11,19,080	80	2-11-59
5.	60-Manipur	Home Affairs	1,47,53,000	1,56,16,045	8,63,045	14-12-59
6.	61-Tripura	Home Affairs	2,38,67,000**	2,70,03,333	**31,36,333	1-12-59
7.	67-Ministry of Irrigation & Power.	Irrigation & Power	19,85,000	**19,89,327	**4,327	24-10-59
8.	87-Overseas Communications Service.	Transport & Communications (Department of Communications and Civil Aviation)	1,14,86,000	1,15,04,057	18,057	21-10-59
9.	90-Communications (including National Highways)	Transport and Communications (Department of Transport)	5,82,09,000	**6,01,37,774	**19,28,774	11-11-59
10.	94-Other Civil Works	Works, Housing & Supply	24,05,22,000**	**25,96,23,750**	**1,91,01,750	5-12-59
11.	123-Other Capital Outlay of the Ministry of Irrigation & Power.	Irrigation & Power	2,00,87,000	2,31,80,610	30,93,610	9-11-59

*The Explanatory notes were to be furnished by the 28th October 1959.

**In the Audit Report (Civil), 1959, the following figures of Actual Expenditure and Excesses under these Grants have been shown:—

	Actual Expenditure	Excesses
	Rs.	Rs.
(i) 61-Tripura	2,70,02,783	31,35,783
(ii) 67-Ministry of Irrigation and Power	19,94,024	9,024
(iii) 90-Communications (including National Highways)	6,01,06,737	18,97,737
(iv) 94-Other Civil Works	25,96,93,579	1,91,71,579

The figures shown against these Grants in the above statement, however, represent the actual Excess requiring regularisation after taking into account certain misc. adjustments, in accordance with the principle enunciated by the Committee in para 7 of their Sixteenth Report (First Lok Sabha).

1	2	3	4	5	6	7
			Charged Appropriation			
12	28-Customs . . .	Finance . . .	1,000	2,027	1,027	21-1-60
13	30-Taxes on Income in- cluding Corporation Tax and Estate Duty.	Do. . .	55,000	60,255	5,255	21-1-60
14.	Interest on Debt and other obligations and reduction or avoidance of Debt.	Finance . . .	1,21,83,05,000	1,23,04,48,472	1,21,43,472	12-11-59
15.	9†-Other Civil Works	Works, Housing & Supply	36,27,000	37,61,262	1,34,262	5-12-59

The figures shown against these Grants in the above statement, however, represent the actual Excess requiring regularisation after taking into account certain misclassifications in accordance with the principle enunciated by the Committee in para 7 of their Sixteenth Report (First Lok Sabha).

6. The explanations furnished by the Ministries in regard to the excesses over Voted Grants and Charged Appropriations would indicate that the progress of expenditure had not been closely watched and the prescribed rules and procedure for securing effective control over expenditure were not strictly observed. Since the responsibility for watching the progress of expenditure against a Grant or Appropriation rests with the Ministry, which is ultimately responsible for keeping the expenditure within the Grant or Appropriation, it devolves on that authority to ensure that its controlling officers strictly comply with the extant rules and orders on the subject and that the control over expenditure by them is effective and real and that they are in a position from month to month to estimate the likely savings/excess over Grants and Appropriations. It needs no special emphasis that the controlling officers should arrange for receipt of information by them not only of what has actually been spent from an appropriation/grant but also of what commitments and liabilities have been and will be incurred against it during the financial year so that they may have an idea of the progressive liabilities and commitments in respect of which payments have to be made. The Committee would, therefore, reiterate that the authorities concerned should maintain a liability register which would go a long way to improve matters and ensure better financial control over expenditure. The Committee would in this connection draw the attention of the Ministries/Departments to the instructions issued by the Ministry of Finance for the maintenance of Liability Register as also to the procedure outlined by the Comptroller and Auditor General of India regarding control over expenditure incurred in respect of supplies and services and adjustments of debits therefor (Appendix XV).

The Committee would again point out that expenditure in excess of the grants and appropriations sanctioned by Parliament is wrong in principle. The Ministries/Departments should, therefore, exercise the utmost caution in order to avoid coming before Parliament to seek ex post facto sanction.

7. The Committee would now proceed to deal with a few individual cases of excesses over Voted Grants/Charged Appropriations which can be attributed to defective budgeting and control.

(i) *Ministry of Commerce and Industry—*Grant No. 1—Excess*
Rs. 64,572.

The excess under this Grant has been explained as due mainly to—

- (i) inadequate provision for the cost of passages of personnel transferred to the Ministry from the Commercial Offices abroad for lack of precise data ;
- (ii) unanticipated payment of arrear telephone bills pertaining to the erstwhile Ministry of Production ; and
- (iii) non-provision for outstanding adjustments on account of pharmaceutical delegation visiting Europe during 1956-57.

It was stated in extenuation that compared to the total budget, the excess was very small. *The Committee would observe that however small the excess may be, it requires regularisation by Parliament and as such it needs proper investigation. The explanations indicate that the estimation could be done more precisely. The Committee feel that either the Ministry had not kept proper record of liabilities incurred by itself or by its predecessor Ministry, or such a record was not made use of while framing its supplementary estimates. Besides, in the case of excess due to telephone charges pertaining to the erstwhile Ministry of Production, provision for which could not be made on the assumption that those arrear charges would be met from the grant of the Ministry of Steel, Mines and Fuel, the Committee would observe that it is regrettable that the Ministry of Commerce and Industry acted on an unconfirmed assumption.*

(ii) *Ministry of Home Affairs—**Grant No. 60.—Manipur—Excess*
Rs. 8,63,045.

The excess under this Grant occurred mainly due to adjustments of debits for which requisite provision was not made in the budget. *This clearly shows that estimation was defective inasmuch as commitments of funds for liabilities incurred were not taken into account while framing the budget and revised estimates. The Committee are of the view that if the Ministry had exercised a better control over expenditure and greater foresight in obtaining supplementary grants, keeping in view all the liabilities and commitments awaiting adjustment in the accounts, the excess could have been avoided.*

(iii) *Ministry of Home Affairs—†Grant No. 61.—Tripura—Excess*
Rs. 31,36,333.

In this case, the excess occurred mainly under the following heads :—

- (i) Account I—Direct Demand on the Revenue B—Land Revenue—Other Charges
- (ii) Account II—Irrigation works
- (iii) Account III—E—Education
- (iv) Account III—K—Industries and Supplies.

*Appendix I.

**Appendix V.

†Appendix VI.

As regards (i) above, the original provision of Rs. 1,69,800 under the sub-head 'B 2(4)—Other Charges' was increased to Rs. 3,33,809 by reappropriating a sum of Rs. 1,64,009 in order to meet the urgent need for the resettlement of Jhumias, which is a very important problem of the territory. It was explained by the Ministry that due to intensive operation of the scheme, the actual expenditure amounted to Rs. 12,92,005 which exceeded the final appropriation by Rs. 9,58,196.

The Committee observe that the actual expenditure in this case was nearly four times the amount provided in the final grant. They are surprised to find that the operation of this scheme should have turned out to be more intensive than was originally anticipated. It is obvious that the estimation of funds bore no relation to the actual requirements. The Committee also deplore that those in charge of implementation of the schemes should have incurred expenditure far in excess of the allotments without arranging for provision of funds by supplementary grants.

So far as (iii) above is concerned, the Ministry have stated that in view of the anticipated expansion of old educational schemes and the implementation of certain new schemes in the field of Primary Education, the original grant of Rs. 15,05,900/- under the sub-head E. 3 (1) was enhanced to Rs. 20,61,700/- by reappropriating a sum of Rs. 5,55,800. The expenditure, however, amounted to Rs. 37,27,089, thereby registering an excess of Rs. 16,65,389.

The Committee note with concern that the excess in this case is nearly 81% of the final grant and has been mainly under Pay of Establishment and Allowances, Honoraria, etc. for which there should have been no difficulty for correct estimation.

These remarks would apply *mutatis mutandis* to (iv) above.

(iv) *Ministry of Irrigation and Power—*Grant No. 123—Other Capital Outlay—Excess Rs. 30,93,610.*

The Committee find from the Ministry's note that the Ministry originally provided only Rs. 20 lakhs for Electrical Development in Himachal Pradesh against Rs. 57.12 lakhs asked for by the Administration and Rs. 47 lakhs approved by the Planning Commission. This drastic cut was applied even though the Ministry was not aware of the progress of different schemes.

The Committee are amazed to notice that while the Himachal Pradesh Administration anticipated in November, 1957 an expenditure of only Rs. 25 lakhs, later within three months (early in February) their expectations of expenditure soared up to Rs. 90 lakhs.

This only indicated that the Administration was not keeping in touch with the progress of the schemes.

- (v) *Ministry of Transport and Communications (Department of Transport)*
 —*Grant No. 90—*Communications (including National Highways)*—Excess
 Rs. 19,28,774.

It has been explained by the Ministry that the excess occurred under "A-Original Works—A. 2—Minor works and B-Repairs—B-2 Other Communications". These works were mainly executed in NEFA and Himachal Pradesh and as and being of urgent nature and inescapable, they had to be executed, though adequate funds could not be provided. The Ministry has also stated in its note that every effort is made to control the progress of expenditure and that a circular had been issued to all the States/Administrations in this connection. *The Committee would recall in this connection that when a similar excess occurred under this Grant in 1955-56, the Ministry had advanced more or less the same explanation as on the present occasion. Apparently no effective measures have been taken to enforce compliance with the instructions. The Committee trust that the Ministry will take steps to improve the technique of estimating and control over expenditure.*

- (vi) *Ministry of Works, Housing and Supply*—**Grant No. 94—*Other Civil Works*—Excess Rs. 1,91,01,750 (Voted) and Rs. 1,34,262 (Charged)

The Committee observe that there had been excess in this Grant all the years since 1952-53. It is apparent, therefore, that measures to ensure proper control over expenditure in this Grant have been defective. The bulk of excess has been under the head 'Suspense', which has been the subject of criticism in the past by the Public Accounts Committee. The Ministry has stated that the budgeting and accounting of 'Suspense' head has been creating a problem for the last few years and the whole procedure is already under examination in Ministry of Finance in consultation with the Comptroller and Auditor-General of India. At present the procedure is complicated and it has not been found practicable to forecast the estimates under this head with any degree of accuracy.

The Committee would urge that the new procedure should be evolved early so that the provision under this Grant may be made as accurately as possible.

8. *Subject to the above observations, the Committee would recommend that the excess referred to in para 5 be regularised by Parliament in the manner prescribed in Article 115 of the Constitution.*

9. *The Committee would like to place on record their appreciation of the assistance rendered to them by the Comptroller and Auditor-General in examining the above excesses.*

NEW DELHI;

UPENDRANATH BARMAN,

The 10th February, 1960

Chairman,

Magha 21, 1881 (Saka).

Public Accounts Committee-

*Appendix X.

**Appendix XI.

PART II

Proceedings of the sittings of the Public Accounts Committee
held on the 30th November, 4th, 5th and 14th December,
1959 and the 10th February, 1960.

PROCEEDINGS OF THE TWENTY-NINTH SITTING OF THE
PUBLIC ACCOUNTS COMMITTEE HELD ON MONDAY, THE
30TH NOVEMBER, 1959

10. The Committee sat from 15.00 to 15.30 hours.

PRESENT

Shri Upendranath Barman—*Chairman*.

MEMBERS

2. Shri Radha Raman
3. Shri T. R. Neswi
4. Shri Raghubar Dayal Misra
5. Shri T. Sanganna
6. Shri Shraddhakar Supakar
7. Shri Amolakh Chand
8. Rajkumari Amrit Kaur
9. Shri Rohit Manushankar Dave
10. Shri T. R. Deogirikar
11. Shri Surendra Mohan Ghose.

Shri A. Kalyanaraman, *Deputy Comptroller & Auditor General of India*
Shri S. Venkataramanan, *Accountant General, Central Revenues.*

SECRETARIAT

Shri V. Subramanian—*Deputy Secretary.*

Shri Y. P. Passi—*Under Secretary.*

WITNESSES

Ministry of Commerce & Industry

Shri S. Ranganathan—*Secretary.*

Shri K. L. Ghei—*Financial Adviser.*

Shri K. V. Venkatachalam—*Joint Secretary.*

Appropriation Accounts (Civil), 1957-58 and Audit Report, 1959
Part I—Grant No. 1—Ministry of Commerce & Industry—
(Voted)—Excess Rs. 64,572.

11. At the outset, the Chairman enquired about the inordinate delay on the part of the Ministry of Commerce & Industry in furnishing to the Committee the note explaining the reasons for the excess in Grant No. 1 disclosed in the Accounts for the year 1957-58. Despite the fact that the time limit for

submission of such notes had been extended from four weeks to two months, the Ministry had taken three months to furnish the note.

The Secretary, Ministry of Commerce & Industry, admitted that matters had been delayed in the Ministry after the final accounts were received from the Accountant General Central Revenues and that the Ministry had taken suitable action to avoid such delays in future. He also stated that pursuant to the recommendation of the Committee, a senior officer of his Ministry had been made responsible for furnishing information called for by the Committee, taking appropriate action on their recommendation and such other matters relating to budget, etc.

12. The Committee then considered the note (Appendix I) furnished by the Ministry.

Referring to the Ministry's note that part of the excess was due to telephone charges pertaining to the erstwhile Ministry of Production, provision for which could not be made on the assumption that those arrear charges would be met from the grant of the Ministry of Steel, Mines and Fuel, the Chairman observed that the Ministry of Commerce & Industry should have ascertained from the former Ministry whether they were making provision for the outstanding liability and if not the Ministry of Commerce & Industry should have made requisite provision in the budget for the arrear telephone charges.

The Secretary, Ministry of Commerce & Industry stated that it was not known clearly then as to which Ministry would bear the debit raised by the P & T Department. Moreover, compared to the total budget, the excess was very small.

On its being pointed out that the amount of excess was not the criterion and that, howsoever small the amount of excess might be, it needed regularisation by Parliament, and as such it was the duty of the Ministry to ascertain the facts before-hand to ensure that the liability was provided for in the budget to avoid excess, the Secretary of the Ministry stated that in practice it might be difficult because the telephone calls might have related to an officer who was dealing with the subject which had been transferred to the Ministry of Commerce & Industry and not to the Ministry of Steel, Mines & Fuel. He also added that the allocation of the charges was not known until the bills were received from the P & T Department.

13. As regards the excess due to non-provision for outstanding adjustments on account of the pharmaceutical delegation visiting Europe during 1956-57, the Secretary of the Ministry admitted that there was an omission to provide funds in the budget and that the excess could have been avoided had the Ministry been careful in framing the estimates.

14. The Committee then adjourned.

PROCEEDINGS OF THE THIRTY-FOURTH SITTING OF THE
PUBLIC ACCOUNTS COMMITTEE HELD ON FRIDAY, THE
4TH DECEMBER, 1959.

Excesses over Charged Appropriations

15. The following were the three cases of Excesses over Charged Appropriations in the Grants of the Ministry of Finance during 1957-58 :

- (1) 28—Customs Excess Rs. 1,027
- (2) 30—Taxes on Income including
Corporation Tax and Estate Duty. . . Excess Rs. 5,255.
- (3) Interest on Debt and other obligations and reduction or avoidance of
Debt—Excess Rs. 1,21,43,472.

On the 27th August, 1959, the Ministry of Finance were *inter alia* addressed to furnish the Committee with notes stating the reasons leading to these excesses and why these could not be anticipated and provided for. A note *setting forth the requisite information in respect of S. No. (3) above was received on 12-11-1959, whereas the notes relating to the other two Grants were still awaited in spite of the reminder issued on 28th October, 1959.

The Committee were critical of the inordinate delay on the part of the Ministry of Finance in the submission of these notes. The representative of the Ministry promised to furnish these notes without any further delay.

*Appendix XII.

PROCEEDINGS OF THE THIRTY-FIFTH SITTING OF THE PUBLIC ACCOUNTS COMMITTEE HELD ON SATURDAY, THE 5TH DECEMBER, 1959.

X X X X X X

Excess over Voted Grant

Grant No. 15—Survey of India—page 11 of Audit Report, 1959—Part I and pages 6—8 of Appropriation Accounts, 1957-58, Vol. V.

16. There was an excess of Rs. 2,96,550 under Grant No. 15—Survey of India—during the year 1957-58.

The Committee desired to know as to why it had not been possible for the Ministry to furnish the requisite information called for by them on for 27th August, 1959, followed by a reminder dated the 28th October, 1959. The Committee were informed that a note was sent to audit for vetting some time back who referred it back to the Ministry with certain queries. It had now again been sent to Audit.

X X X X X X

PROCEEDINGS OF THE FORTY-FIRST SITTING OF THE PUBLIC ACCOUNTS COMMITTEE HELD ON MONDAY, THE 14TH DECEMBER, 1959.

Excesses Over Voted Grants

17. The following were the three cases of Excesses Over Voted Grants of the Ministry of Home Affairs during the year 1957-58 :

- | | | |
|----|----------------------|-----------------------|
| 1. | 55—Census | Excess Rs. 80 |
| 2. | 60—Manipur | Excess Rs. 8,63,045 |
| 3. | 61—Tripura | Excess Rs. 31,35,783. |

The Committee had desired to be furnished with notes stating the reasons for these excesses by the 28th October, 1959. These were, however, received on 2-11-1959, 14-12-1959 and 1-12-1959, respectively.

18. *The Committee deprecated the delay on the part of the Ministry of Home Affairs in furnishing the notes. The representative of the Ministry stated that to expedite matters, an Officer of the rank of Joint Secretary had been deputed to attend to the work of the Public Accounts Committee.*

PROCEEDINGS OF THE FIFTY-FIRST SITTING OF THE PUBLIC
ACCOUNTS COMMITTEE HELD ON WEDNESDAY, THE
10TH FEBRUARY, 1960.

19. The Committee sat from 15-00 to 16-45 hours.

PRESENT

Shri Upendranath Barman—*Chairman*.

MEMBERS

2. Shri T. Manaen.
3. Shri Maneklal Maganlal Gandhi.
4. Pandit Jwala Prasad Jyotishi.
5. Shri Shamrao Vishnu Parulekar.
6. Shri Radha Raman.
7. Shri Rameshwar Sahu.
8. Shri T. Sanganna.
9. Shri Jaipal Singh.
10. Shri Yadav Narayan Jadhav.
11. Shri Amolakh Chand.
12. Rajkumari Amrit Kaur.
13. Shri Rohit Manushankar Dave.
14. Shri T. R. Deogirikar.
15. Shri Surendra Mohan Ghose.
16. Shri Jaswant Singh.

Shri G. S. Rau, *Add. Dy. Comptroller and Auditor General (Report)*
Shri S. Venkataramanan, *Accountant General, Central Revenues*.

SECRETARIAT

Shri V. Subramanian—*Deputy Secretary*.

Shri Y. P. Passi—*Under Secretary*.

20. The Committee considered and approved the following draft Reports subject to certain minor modifications here and there :

- (i) Twenty-second Report on the Appropriation Accounts (Posts and Telegraphs), 1956-57 and 1957-58 and Audit Reports thereon.
- (ii) Twenty-third Report on the Excesses over Voted Grants and Charged Appropriations disclosed in the Appropriation Accounts (Civil), 1957-58.

21. The Committee authorised the Chairman to sign these Reports and to present them to the Lok Sabha.

22. The Committee also authorised Shri Surendra Mohan Ghose to present the Reports to the Rajya Sabha.

23. The Committee then adjourned till 15-00 hours on Thursday, the 11th February, 1960.

APPENDICES

APPENDIX I

MINISTRY OF COMMERCE AND INDUSTRY

Note on the excess of Rs. 64,572 over the Voted Grant No. 1.—Ministry of Commerce and Industry for the year 1957-58

The grant for the Secretariat of Ministry of Commerce and Industry was originally made under three departments *viz.* Commerce and Light Industries, Heavy Industries, and Chemicals and Pharmaceuticals. The provision for the department of Chemicals and Pharmaceuticals was made *ad-hoc* at 2/3rds of the grant intended for the late Ministry of Production, the functions of which were taken over by both the Ministry of Commerce and Industry and the Ministry of Steel, Mines and Fuel from 17th April, 1957. As the Secretariat of the Ministry was functioning as a single unit, the establishment and the service sections being the same for all the three departments, the grants under the Departments of Heavy Industries and Chemicals and Pharmaceuticals were transferred to the Department of Commerce and Light Industries as all the charges were being booked against the grant under that department. The original grant under the entire demand was Rs. 50,51,000. This was found inadequate and supplementary grant of Rs. 4,25,000 was obtained to meet the cost of additional posts under sub-head A. I (1) "Pay of Officers" and certain miscellaneous expenditure under sub-head A.I(4) "Other Charges" such as visit of foreign trade delegations. Against the total grant of Rs. 54,76,000 for the year the actual expenditure was Rs. 55,40,572, resulting in an overall excess of Rs. 64,572.

2. There were excesses under three heads and savings mainly under three other heads as shown hereunder :—

<i>Excess</i> A. I (3) Allowances, Honoraria, etc.	Rs. 27,892
A. I (4) Other Charges	Rs. 49,450
A. I (5) Lump provision for delegations abroad	Rs. 44,507
<i>Savings</i> A. I (1) Pay of Officers .	Rs. 11,484
A. I (2) Pay of Establishment .	Rs. 43,723
G. Charges in England .	Rs. 1,851

3. The excess under Allowances etc. was due to inadequate provision for cost of passages of staff and their families on transfer from Ministry's commercial offices abroad. A sum of Rs. 10,000 only was allotted for the purpose but actual expenditure exceeded this allotment. The expenditure is accounted for by book adjustment through Embassies who initially incur the expenditure. For lack of precise data as to the number of persons for whom the passages were booked and whether the passages would be actually

availed of or not, no firm provision could be made. However, instructions are being issued for the future to obtain the requisite data before hand when the final grant is fixed.

4. Under the head "Other Charges" the excess of Rs. 49,450 was due to telephone charges outstanding on telephones transferred from the late Ministry of Production. The charges are adjusted by book debit by the Posts and Telegraphs Department. No provision was made for the purpose as it was thought that the arrear charges would be met from the grant for the Ministry of Steel, Mines and Fuel.

5. Under the head "Lump provision for delegations abroad" the excess of Rs. 44,507 was due to outstanding adjustments on the Indian Pharmaceutical Delegation which visited some countries in Europe during the financial year 1956-57. The provision for expenditure on delegation was originally made by the Ministry of Heavy Industries. Due to administrative changes in the set up of the Ministry in 1957-58, the extent of outstanding adjustments on this item was not available before the final grant was fixed.

6. The savings under the sub-heads "Pay of Officers", "Pay of Establishment" and "Charges in England" were not anticipated and hence could not be reappropriated to cover partly the excesses under other sub-heads.

7. The overall excess in proportion to the sanctioned grant is about one per cent.

This note has been seen and concurred in by Audit.

K. V. VENKATACHALAM,
Joint Secretary to the Government of India.

APPENDIX II

MINISTRY OF SCIENTIFIC RESEARCH AND CULTURAL AFFAIRS

Grant No. 15—Survey of India

Amount expended in excess of the grant for the year ended 31st March 1958, in respect of the late Ministry of Education and Scientific Research

Voted : Two lacs, ninety six thousand, five hundred and fifty.

Sanctioned Budget Grant 1957-58	Actual expenditure	Excess
Rs. 1,64,85,000	Rs. 1,67,81,550	Rs. 2,96,550

There was a net excess under this grant of Rs. 2,96,550. This was primarily due to an excess of Rs. 13,39,420 under sub-head A. 6.—Material, and Equipment under the T.C.A. Programme offset by a saving of Rs. 10,42,870 under other sub-heads. The position is explained in the following paragraphs.

2. In pursuance of the approved scheme for the expansion and mechanisation of the Survey of India, the Department procured 33 pieces of specialised Photogrammetric equipment from Switzerland and West Germany under the Indo-U. S. Cooperation Assistance Programme Operational Agreement No. 26 from November, 1955 to August, 1956. Sanction for the adjustment of the cost of this equipment could not be issued during the years 1955-56 and 1956-57 as firm figures regarding the rupee expenditure were not available then. Their cost was, therefore, to be adjusted during 1957-58 for which a budget provision of Rs. 12.30 lacs existed. In the meantime another 27 pieces of similar equipment were received under the same Agreement in the months of January to May, 1958. The costs of all the 60 pieces were adjusted during 1957-58. The statement of anticipated excesses and savings received from the Surveyor General of India in the first week of March 1958 showed that a sum of Rs. 19.20 lacs would be required by the Surveyor General of India over and above the budget provision of which Rs. 15.87 lacs were for the equipment alone.

3. A review of the progress of expenditure incurred by the Surveyor General on 15-3-1958 however, showed that out of the total budget provision of Rs. 1,64,85,000 the expenditure upto the end of February amounted to Rs. 1,09,66,000 *i.e.*, Rs. 9,96,909 per month on an average. Considering the trend of expenditure during the past eleven months, it was considered that it was unlikely that the Surveyor General would be able to spend the balance of Rs. 55,19,000 and also need an additional amount of Rs. 19.20 lakhs. If

was anticipated that the Surveyor General of India would be able to find the excess for equipment etc. by a valid re-appropriation of funds within the sanctioned grant and he was asked to balance his budget accordingly. This anticipation, however, did not materialise. For, although there was a saving of Rs. 10,42,870 under other sub-heads, the expenditure under sub-head A. 6.—Material and Equipment tilted the balance with the result that the budget provision was exceeded by a sum of Rs. 2,96,550.

A. K. GHOSH,
Joint Secretary to the Govt. of India.

APPENDIX III

MINISTRY OF HEALTH

Note on the excess of Rs. 55,123 under Grant No. 49 Public Health for the year 1957-58

The excess of Rs. 55,123 under Grant No. 49 Public Health—Ministry of Health is the net result of the excesses and savings under the various sub-heads of the Grant as shown at pages 14—30 of the Appropriation Accounts for 1957-58. There would have been no net excess of Rs. 55,123 but for an excess of Rs. 11,11,780 under the following sub-head :

Major Head and sub-head	Final Grant	Actual Expenditure	Excess+ Savings—
E. 2 (3).— Clearance and Handling of Stores supplied by International Organisations	5,14,350	16,26,130	+11,11,780

The reasons for the above excess are as under :

Out of the final grant of Rs. 5,14,350 allotted to the Medical Store Depots for the clearance and handling of International stores during 1957-58 under the above Sub-head, the actual expenditure booked is Rs. 16,26,130. This includes an amount of Rs. 10,73,037 representing customs duty levied incorrectly by Customs Authorities, even though U.N.I.C.E.F. stores are duty free. Deputy Assistant Director General (Medical Stores) Medical Stores Depot, Bombay submitted customs duty exemption certificate to the Assistant Director (Shipping), Bombay, and claimed withdrawal of debit. But the debit could not be withdrawn in time for adjustment in 1957-58 accounts. The debit has since been withdrawn by affording credit in 1958-59 accounts.

It is requested that in the circumstances, the excess of Rs. 55,123 may be recommended for regularisation.

V. K. B. PILLAI,
Secretary.

APPENDIX IV

MINISTRY OF HOME AFFAIRS

(Accounts—I Section)

Note in respect of Grant No. 55—Census (All Voted) for the year 1957-58:

	Rs.
Original Grant	8,49,000
Supplementary Grant	2,70,000
Final Grant	11,19,000
Actual expenditure	11,19,080
Excess	80

The excess of Rs. 80 under this grant is the net result of the following excesses and savings under the various sub-heads of the grant :

Sub-heads	Final grant	Actual expenditure	Excess(+) Saving(—)
	Rs.	Rs.	Rs.
A. Superintendence			
A. 1. Pay of Officers	26,600	26,498	(—) 102
A. 2. Pay of Establishments	2,56,950	2,54,784	(—) 2,166
A. 3. Allowances, Honoraria, etc.	1,36,050	1,32,132	(—) 3,918
A. 4. Grants-in-aid, contributions, etc.	12,700	12,718	(+) 18
A. 5. Other Charges	31,550	33,234	(+) 1,684
B. Enumeration			
B. 2. National Register of Citizens.	7,000	6,384	(—) 616
C. Abstraction and Compilation			
C. 1. Pay of Officers	7,300	6,064	(—) 1,236
C. 2. Pay of Establishments	3,92,400	3,80,515	(—) 11,885
C. 3. Allowances, Honoraria, etc.	1,08,800	1,07,655	(—) 1,145
C. 4. Other Charges	45,100	45,015	(—) 85
D. Printing and Stationery	94,550	1,14,081	(+) 19,531
TOTAL	11,19,000	11,19,080	(+) 80

2. From the above, it will be seen that the excesses occurred mainly under sub-heads A. 5.—Other Charges and D.—Printing and Stationery. The excess of Rs. 1,684 was due to more expenditure on furniture, railway credit notes and shifting of records from Udaipur to Jaipur than originally anticipated. With regard to excess of Rs. 19,531, this was mainly due to unanticipated book adjustment of printing charges in March 1958 (final) accounts.

3. As the over-all excess of Rs. 80 is very nominal, the excess may be recommended for regularisation.

4. The note has been seen by Audit.

NEW DELHI;

The 30th October, 1959.

[FATEH SINGH,

Joint Secretary to the Govt. of India.

APPENDIX V

MINISTRY OF HOME AFFAIRS

Explanatory Note in respect of Grant No. 60—Manipur for 1957-58

Final Grants	Rs. 1,47,53,000
Actual Expenditure	Rs. 1,56,16,045
Excess	Rs. 8,63,045

The above excess of Rs. 8,63,045 is mainly attributable to the following sub-heads to the extent shown against each :

Account III—Civil Administration.

Sub-heads :	Rs.
(A) D. 1(2).—Other Police (Manipur Rifles)— D. 1 (2)(4).—Other Charges	61,192
(B) D. 1 (2)(6).—Lump provision for meeting expenditure on respective units of Assam Rifles employed in Manipur	65,900
D. 1 (2)(7).—Provision for meeting expenditure on account of companies of Eastern Frontier Rifles employed in Manipur	6,85,000
(C) F. 4 (2).—Hospitals and Dispensaries— F. 4(2)(3).—Other Charges	43,884
(D) G. 2.—Works	57,011
(E) G. 4.—Development Schemes	3,03,532
(F) H. 4 (2).—Agricultural Farms— H. 4 (2)(3).—Other charges	44,770
TOTAL	12,61,289

Account VI—Extraordinary Items.

Sub-heads :

(G) A. 1.—Community Development Projects A. 1(1), A. 1(3), A.1(4), A.1(5), (1), A.1(6) and A. 1(7)(1)	Rs. 1,21,012
---	--------------

GRAND TOTAL . Rs. 13,82,301

1.(1). The above gross excess of Rs. 13,82,301/- has been counter-balanced to the extent of Rs. 5,19,256/- by the savings under other sub-heads, thereby bringing down the net excess to Rs. 8,63,045/-, which is due to the reasons explained in the following paragraphs :—

(A) D. 1(2).—*Other Police (Manipur Rifles)*—
D. 1 (2)(4).—*Other Charges* Rs. 61,192—

2. As regards (A) above, due to increase in the strength of the Manipur Rifles, the original provision of Rs. 2,13,500 under the sub-head 'D. 1 (2) (4)—*Other Charges*', was increased to Rs. 2,75,660, by re-appropriating a sum of Rs. 62,160. The actual expenditure, however, under this sub-head, amounted to Rs. 3,36,852, the details of which are as follows :

	Rs.
(i) Rations	1,47,749
(ii) Clothing	70,084
(iii) Office expenses and Miscellaneous contingencies	1,19,019
TOTAL	3,36,852

2. (1). The excess expenditure was mainly due to adjustment of debits towards the close of the financial year, for materials for which indents were placed before July, 1957. It was anticipated that the debits will be received only in the next year (1958-59) but these anticipations did not prove to be correct.

(B) D. 1 (2)(6).—*Lump provision for meeting expenditure on respective units of Assam Rifles employed in Manipur*—Rs. 65,900.

D. 1 (2)(7).—*Provision for meeting expenditure on account of Companies of Eastern Frontier Rifles*—Rs. 6,85,000.

3. With regard to (B) above, a lump provision of Rs. 25 lakhs was made under the sub-head, 'D. 1 (2)(6)', in Account III, to meet the expenditure on Assam Rifles Units deployed in Manipur. The expenditure is initially incurred by the Ministry of External Affairs and the adjustment for reimbursement of the expenditure to the Ministry of External Affairs is carried out annually by the Accountant General, Assam, on receipt of the necessary sanction from the Ministry of Home Affairs. The actual amount reimbursable to the Ministry of External Affairs being not known, a sanction for the provisional payment of Rs. 25 lakhs to the Ministry of External Affairs was issued on 4th July, 1958. The necessary adjustments were made by Accountant General, Assam in the accounts for 1957-58.

3. (1). During the year 1957-58, due to a sudden increase in hostile Naga Activities, additional units of the Eastern Frontier Rifles, from West Bengal, had to be deployed. It was decided by the Ministry that the cost of these units should be met from the funds allotted for the Assam Rifles. Necessary instructions to this effect were issued by the Ministry to the Manipur Administration in December, 1957. The Manipur Administration however, informed the Ministry of Home Affairs in January

1958 that a debit of Rs. 6,85,700 on account of the deputation of the two companies of Eastern Frontier Rifles would be raised by the Government of West Bengal and that the provision of Rs. 25 lakhs for the cost of Assam Rifles would not be enough to accommodate it. The Ministry were, however, under the impression that any debits in this regard, if raised by the Accountant General, West Bengal, after the close of the year, 1957-58, would be accepted for adjustment in the accounts for the year 1958-59 by the Accountant General, Assam. The Accountant General, Assam, however, with the consent of the Manipur Administration given telegraphically on 28th June, 1958 adjusted the debits in question, in the accounts for the year 1957-58. This adjustment resulted in the excess for which provision could not be made.

3. (2). A revised sanction as detailed below was issued by the Ministry in January, 1959 on the basis of information furnished by Manipur Administration, but the adjustments already made could not be revised as the accounts for 1957-58 had by then been closed :

	Rs.
(i) Expenditure on account of Eastern Frontier Rifles from West Bengal	6,85,000
(ii) Expenditure on account of the units of Assam Rifles	18,15,000
TOTAL	<u>25,00,000</u>

The excess expenditure adjusted during 1957-58 has been taken into account while making payment for the year 1958-59.

(C) F. 4(2)—Hospitals and Dispensaries— F. 4(2)(3)—Other Charges.	Rs. 43,884.
--	-------------

4. As regards 'C', the original provision of Rs. 1,05,700 under the sub-head 'F. 4(2)(3)—Other Charges' was enhanced to Rs. 2,48,110 by re-appropriation to provide for the purchase of additional medicines and equipment for hospitals and dispensaries, opening of new dispensaries and miscellaneous expenditure connected therewith. As certain book debits were not received for a considerable time, it was assumed that they would be accounted for during the subsequent year. On this assumption a sum of Rs. 50,000 was re-appropriated from this sub-head towards the close of the financial year, leaving a balance of Rs. 1,98,110. The actual expenditure incurred was, however, Rs. 2,41,994 as follows :

	Rs.
(i) Medicines and equipment for hospitals and dispensaries	1,60,000
(ii) Purchase of vaccine and sera	5,000
(iii) Miscellaneous contingencies	8,000
(iv) Maintenance charges of four vans	6,000
(v) Opening of New Dispensaries	62,994

The excess of Rs. 43,884 was due to the fact that the book debits were actually received and adjusted before the final closing of accounts for 1957-58.

(D) G. 2.—*Works*

Rs. 57,011.

5. In regard to 'D', funds to the extent of Rs. 2,16,513 were provided by re-appropriation under sub-head 'G. 2.—Works' to meet expenditure on village water supply schemes. Owing to the increased emphasis on the speedy implementation of the schemes in the interest of the rural population, 40 new tanks were excavated and 34 old tanks repaired and improved, including disinfection arrangements during 2nd half of the year 1957-58. The expenditure actually incurred amounted to Rs. 2,73,524, registering an excess of Rs. 57,011.

(E) G. 4.—*Development Schemes*

Rs. 3,03,532.

6. As regards 'E', the administrative approval for the scheme for improvement of Imphal Water Supply estimated to cost Rs. 28.36 lakhs was accorded on 30-3-1955. The scheme was entrusted to the Central P.W.D. The technical sanction to the various estimates was accorded by February, 1957. At the time of framing budget estimates for 1957-58, it was considered that any progress in the execution of the scheme during the year was very unlikely, mainly, because of the non-availability of essential equipment, e.g. pipes. No budget provision was, therefore, made for the year. Towards the end of the year, however, some equipment became available. The adjustment of debits on that account resulted in an excess of Rs. 3,03,532.

(F) H. 4(2).—*Agricultural Farms—*
H. 4 (2)(3).—*Other Charges*

Rs. 44,770.

7. As far as 'F' is concerned, the original provision of Rs. 27,000 under the sub-head 'H. 4 (2)(3) Other Charges' was increased to Rs. 1,25,639 by reappropriating a sum of Rs. 98,639, to meet the increased expenditure connected with the expansion of agricultural farms. The actual expenditure however, amounted to Rs. 1,70,409, as follows :

	Rs.
(i) Cost of Tractor .	17,300
(ii) Subsidy to Tribal people	68,500
(iii) Muster Roll wage and cost of building.	33,579
(iv) Wages of labourers and purchase of articles	29,149
(v) Cost of constructions	21,881
TOTAL	<u>1,70,409</u>

The excess expenditure of Rs. 44,770 was due to the following :

	Rs.
(i) Grant of additional subsidy to tribal people for development of 4 agricultural farms in March Final and Supplementary Accounts for 1957-58	18,500
(ii) Adjustment of certain belated debits in March Final and Supplementary Accounts for 1957-58 relating to cost of construction	21,881
(iii) Miscellaneous expenditure	4,389
TOTAL	<u>44,770</u>

(G) *Account VI A. 1.—Community Development Projects—*
A. 1(1), A. 1(3), A. 1(4), A. 1(5), A. 1(6) and A. 1(7) (1)—

Rs. 1,21,012.

8. With regard to 'G', due to frequent disturbances by the Naga hostile activities, the information regarding anticipated increased expenditure of Rs. 1,21,012 on the Tamenglong Community Development Block, in a very inaccessible corner of the territory, was not received by the Administration in time for inclusion in their final excesses and savings statement for the year 1957-58.

9. The note has been seen by Audit.

R. R. BAHL,

Joint Secretary to the Government of India.

APPENDIX VI

MINISTRY OF HOME AFFAIRS

Explanatory Note in respect of Excess under Grant No. 61—Tripura—for 1957-58

Final Grant (Voted) . . . . .	.	.	Rs. 2,38,67,000
Actual Expenditure (Voted) . . . . .	.	.	Rs. 2,70,02,783
Excess (Voted) . . . . .	.	.	Rs. 31,35,783

2. The total sanctioned budget grant for 1957-58 was Rs. 238.67 lakhs (voted) against which the actual expenditure for the year amounted to Rs. 2,70,02,783. Thus there was an excess of Rs. 31,35,783 in the voted sanction of the Grant. In addition to this a sum of Rs. 550 correctly pertaining to this grant was mis-classified under Grant No. 30—Taxes on income. The real excess under Grant No. 61—Tripura, therefore, is Rs. 31,36,333, which requires to be regularised. The excess occurred mainly under the following sub-heads :

<i>Head & Sub-head etc.</i>	<i>Amount</i> Rs.
<i>Account I—Direct Demand on the Revenue</i>	
L. B—Land Revenue :	
B. 2(4)—Other Charges	9,58,196
<i>Account II—Irrigation Works etc.</i>	
II. A—Other Revenue Expenditure met from Ordinary Revenue :	
A. 2(1)—Maintenance & Repairs	2,29,916
<i>Account III—Civil Administration</i>	
III. E—Education :	
E. 3—Primary Education :	
E. 3(1)(1)—Pay of Establishments	9,45,376
E. 3(1)(2)—Allowances, Honoraria, etc.	6,40,877
E. 3(1)(3)—Other Charges	79,136
TOTAL	16,65,389

IV. K—Industries and Supplies.

	Rs.
K. 1(1)—Pay of Establishments	51,540
K. 1(2)—Allowances, Honoraria, etc.	37,106
K. 1(3)—Other Charges	55,199
K. 2(1)—Pay of Officers.	1,639
K. 2(2)—Pay of Establishments	50,869
K. 2(3)—Allowances, Honoraria, etc.	35,940
K. 2(4)—Other Charges	4,91,945
K. 4(4)—Other Charges	61,152
	<hr/>
TOTAL	7,84,490
	<hr/>
GRAND TOTAL	36,37,991
	<hr/>

3. The above gross excess of Rs. 36,37,991 has been counter balanced to the extent of Rs. 5,02,208 by the savings under other sub-heads, thereby bringing down the net excess to Rs. 31,35,783, which is due to the reasons explained in the following paragraphs :

I. B.—Land Revenue.

As regards I above, the original provision of Rs. 1,69,800 under the sub-head 'B. 2(4)—Other Charges' was increased to Rs. 3,33,809 by reappropriating a sum of Rs. 1,64,009 in order to meet the urgent need for the resettlement of Jhumias, which is a very important problem of the territory. However, due to intensive operation of the scheme, the actual expenditure amounted to Rs. 12,92,005, out of which a sum of Rs. 10,76,900 was on account of rehabilitation grants to Jhumias, thereby registering an excess of Rs. 9,58,196.

II. A.—Other Revenue Expenditure met from ordinary Revenue.

With regard to II above, the excess of Rs. 2,29,916 under sub-head A.2(1) was primarily due to the expenditure on emergent works relating to protective embankment for the town of Agartala.

III. E.—Education.

So far as III above is concerned, in view of the anticipated expansion of old educational schemes and the implementation of certain new schemes in the field of Primary Education, the original grant of Rs. 15,05,900 under the sub-head E. 3(1) was enhanced to Rs. 20,61,700 by reappropriating a sum of Rs. 5,55,800. The expenditure, however, amounted to Rs. 37,27,089, thereby registering an excess of Rs. 16,65,389.

IV. K.—Industries & Supplies.

As the schemes pertaining to industrial development had not emerged out of the preparatory stage and were not drawn up in sufficient detail at the

time of preparation of budget estimates, no provision was originally made in the budget estimates. Subsequently, a small provision was made by reappropriation in the light of the then anticipated expenditure. However, as a result of a vigorous drive for implementation of these schemes, the expenditure incurred registered an excess.

4. On 5th January, 1958 express circular letters were issued to the Secretaries of Union Territories asking for revised estimates for 1957-58 by 10th January, 1958. The Tripura Administration sent a telegram on 13th January, 1958 stating that a supplementary grant of Rs. 66,77,680 would be necessary. An examination of the detailed proposals received in this behalf from the Tripura Administration on 20th January, 1958 showed that it would be possible to meet the total expenditure during the year from within the sanctioned budget grant as the actual expenditure upto the end of December, 1957 amounted to Rs. 119.65 lakhs only against the sanctioned budget grant of Rs. 239.09 lakhs, thereby leaving a balance of Rs. 119.44 lakhs for the remaining quarter. The Tripura Administration was, therefore, advised telegraphically on 22nd January, 1958 to review the budgetary position of the grant again and furnish firm estimates of the additional requirement. On 30th January, 1958 Tripura Administration stated that the Government of India had reduced the provision under 'Education' by Rs. 28 lakhs and no provision was made for an expenditure of Rs. 11 lakhs under 'Industries'. The expenditure under 'Education' was stated to be of a committed nature. The Administration, therefore, asked for a supplementary grant of Rs. 39 lakhs. As the overall grant showed large savings the Tripura Administration was informed that no supplementary grant was necessary.

5. Another reason for excess during the year 1957-58 was that expenditure amounting to Rs. 8,68,432 was incurred on schemes which had been transferred to the Tripura Territorial Council and it was expected that this amount would be written back to the Council's budget in that year. However, this expectation did not materialise. The above expenditure of Rs. 8.68 lakhs on behalf of the Council was taken into account while giving grants to it during the next financial year (1958-59).

6. The note has been seen by Audit.

R. R. BAHL,

Joint Secretary to the Government of India.

APPENDIX VII

MINISTRY OF IRRIGATION AND POWER

Note in respect of Excess of Rs. 9,024/- under Grant No. 67—Ministry of Irrigation & Power—for the year 1957-58.

Against the final allotment of Rs. 19,85,000/- under this Grant, an expenditure of Rs. 19,94,024/- was incurred during 1957-58. This has resulted in an excess expenditure of Rs. 9,024/-.

2. The excess is less than 1/2% of the final Grant and may be regarded as nominal. It may, however, be mentioned that an expenditure of Rs. 4,697/- chargeable to sub-head 'A. 1(2).—Other Charges' under Grant No. 69 was erroneously adjusted under sub-head 'A. 4.—Other Charges' of this Grant. This was detected too late (some time in May, 1959) for rectification. The actual excess requiring regularisation by an excess vote of Parliament is, therefore, Rs. 4,327/- [*i.e.*, Rs. 9,024/- (—)4,697/-].

T. SIVASANKAR,

Secretary to the Government of India.

APPENDIX VIII

MINISTRY OF IRRIGATION AND POWER

Note in respect of Excess of Rs. 30,93,610/- under Grant No. 123—Other Capital Outlay of the Ministry of Irrigation and Power for the year 1957-58

The above-mentioned excess is mainly on account of "Electricity Schemes in Himachal Pradesh—D—Capital Outlay on Electricity Schemes : D.2.—Suspense".

2. Before the re-organisation of States on 1st November, 1956, provision for capital expenditure in respect of the Part 'C' States having Legislatures was made in the budgets of such States. As a result of the re-organisation, the Part 'C' State of Himachal Pradesh became a Union Territory and the expenditure on the various services became chargeable to the Consolidated Fund of India. Consequently, while funds to meet the expenditure from 1-11-56 to 31-3-57 were provided through a Supplementary Grant, the provision for 1957-58 had to figure in the Central Budget for the first time.

3. The Himachal Pradesh Administration asked for a provision of Rs. 57.12 lakhs under Sub-head 'D.1.—Electricity Schemes' and a sum of Rs. 5 lakhs under Sub-head 'D.2.—Suspense'. The Planning Commission had approved of an expenditure of Rs. 47 lakhs only in 1957-58 for electrical development in Himachal Pradesh. The progress made by the Electricity Branch of the Administration had not, in the past, been commensurate with the targets prescribed by the Planning Commission. The progress made for the various schemes was also not available with the Ministry. In view of this, it was considered safer to start with a provision of Rs. 20 lakhs only. This sum (included in the provision of Rs. 36 lakhs) was provided under Sub-head 'D.1.—Electricity Schemes' in the Budget Estimates for 1957-58. No provision was, however, made under Sub-head 'D.2.—Suspense'.

4. While furnishing the budget estimates for 1958-59 in November, 1957 the Himachal Pradesh Administration intimated that they would require a sum of Rs. 20 lakhs under Sub-head 'D.1.—Electricity Schemes' and Rs. 5 lakhs under Sub-head 'D.2.—Suspense' for the year 1957-58. As the excess of Rs. 5 lakhs was expected to be met from the savings within the Grant, a supplementary demand was not asked for. On the 8th February, 1958, however, the Administration put up a demand of Rs. 23.16 lakhs under 'Electricity Schemes' and Rs. 67.35 lakhs under 'Suspense'. By this time, the proposal for supplementary grants during 1957-58 had already been sponsored. Hence additional funds to the extent of Rs. 70.51 lakhs as asked for by the Himachal Pradesh Administration could not be provided. The expenditure also could not be restricted to the budget provision because stores much in excess of original anticipations had been purchased for utilisation on works which were making rapid progress.

5. Although the excess under Sub-head 'D.2.—Suspense' amounts to Rs. 67,72,882, there have been savings under other Sub-heads and, therefore, the net excess in the Grant as a whole has been reduced to Rs. 30,93,610/-. It is this excess which is required to be regularised.

T. SIVASANKAR,
Secretary to the Government of India.

APPENDIX IX

MINISTRY OF TRANSPORT & COMMUNICATIONS (DEPARTMENT OF COMMUNICATIONS AND CIVIL AVIATION)

Note explaining the reasons for the Excess Expenditure of Rs. 18,057 under Grant No. 87-OCS during 1957-58

1. Under Grant No. 87 for 1957-58 the Budget provision sanctioned for the Overseas Communications Service in the voted section was Rs. 1,14,86,000 but before the close of the financial year Rs. 50,160 were surrendered, leaving a balance of Rs. 1,14,35,840. However, the actual expenditure in the voted section amounted to Rs. 1,15,04,057 and thus resulted in an excess of Rs. 68,217 over the final modified grant or an excess of Rs. 18,057 over the original sanctioned Budget Grant.

2. Details of the Budget provision, Final modified grant, actual expenditure and variation under each unit of appropriation together with explanations are attached. (Annexure).

3. The budget provision of Rs. 6,73,000/- in the charged section and the relevant final modified grant and the final expenditure etc. are not included in the attached statement as there is an ultimate saving of Rs. 1,026/-.

4. Item-wise explanations for the excesses or savings shown in Col. Nos. 5 & 6 have been given in the attached statement. Anticipated savings under pay, other charges and depreciation were utilised to cover the anticipated excesses under other heads and the balance of Rs. 50,160/- was surrendered before the end of the financial year.

5. Review of the savings and excess shown in Col. 6 of the statement would show that there is no marked variation in the actual expenditure and the final modified grant except in the case of A.4—Other charges. The excess under “other charges” was mainly due to unanticipated debits booked during the last month of the year for which no provision could be made and the funds to the extent of Rs. 1,12,100/- were surrendered or reappropriated. Full details of the items which were not anticipated but have been booked during the year have been given in the statement.

6. It will be seen from the attached statement that the actual expenditure exceeds the original budget grant by Rs. 18,057 (Rs. 1,15,04,057 less Rs. 1,14,86,000), and this excess works out to about 0.157%. In view of the small percentage, of the excess, it is requested that it may please be regularised.

Annexure

OVERSEAS COMMUNICATIONS SERVICE

Statement showing by subheads the Grant and the Expenditure during 1957-58 under Major head "43—Industries & Supplies—Central-OCS"

Unit of appropriation	Budget provision for 1957-58	Final modified grant for 1957-58	Actual expenditure for 1957-58	Variation in Col. Nos. 2 and 4	Variation in Col. Nos. 3 and 4	Explanations	
	2	3	4	5	6	7	
						8	
A. 1: Pay of Officers .	5,98,100	5,65,200	5,64,853	-32,900	-347	Saving is due to vacant posts and non-utilisation of leave salary.	Saving due to rounding.
A. 2: Pay of Establishment.	24,62,600	21,28,300	21,18,744	-3,34,300	-9,556	Saving is due to vacant posts and non-utilisation of leave salary.	Drawal of arrears bills was anticipated at out-stations before the 31st March, 1958, but the work could not be completed.
A. 3: Allowances, Honoraria.	20,99,300	23,24,100	23,17,246	+2,24,800	-6,854	Excess is due to <i>ad hoc</i> increase in D. A. and additional expenditure on T. A. and Travel Concession. The excess is also due to increase in payment of Over-time, due to untrained and insufficient staff.	Do.

A. 4: Other Charges . 14,14,300 13,02,200 13,84,752 —1,12,100 +82,552 Saving due to non-opening of Madras Station. Excess due to :—
Rs. 6,480/- debits withdrawn and adjusted during 1958-59 (A.G.'s No. D.A. 27/OCS/11-1/4661 of 15th Oct., 1958).

Rs. 33,333/- } Duty bills for
Rs. 8,871/- } tapes not anticipated but adjusted by the A.G. during March (F) 1958 and March (Final) 1958.

Rs. 10,219/- Debit for Police escort charges not anticipated and accounted by the Accountant General, Bombay, during March (Final), 1958.

Rs. 23,280/- Debits for repairs and maintenance of buildings not intimated by the Central Public Works Department and adjusted by the Accountant General, Bombay, during February, 1958 and March (F), 1958.

A. 5: Depreciation 10,70,700 9,86,300 9,86,300 [-84,400 Saving due to less capital expenditure.

A. 6: Payments to other Government Departments, etc. 37,50,000 40,05,405 40,04,733 +2,55,405 Excess is due to arrears payable to the Cable and Wireless Limited for the year 1954-55. Saving due to rounding.

I	2	3	4	5	6	7	8
B : Charges in England.	91,000	1,16,335	1,17,308	+25,335	+973	Rs. 1,17,308 - already booked by the Accountant General, New Delhi. Excess is mainly due to more contribution to the Commonwealth Telecommunications Board.	Rs. 1,00,000 - on the advice of the High Commission of India in the United Kingdom.
C : Loss or gain by exchange.	8,000	10,121	+8,000	+2,121	Excess due to absence of provision.	Excess due to more payments in the United Kingdom than anticipated.	
	1,14,86,000	1,14,35,840	1,15,04,057	-50,160	+68,217		

APPENDIX X

MINISTRY OF TRANSPORT & COMMUNICATIONS DEPARTMENT OF TRANSPORT (ROADS WING)

*Note regarding the excess in the Grants and Appropriation for 1957-58
relating to the Ministry of Transport & Communications*

Grant No. 90-Communications (including National Highways).
Exc ss—Rs. 18,97,091.

The excess of Rs. 18,97,091 is the net result of excesses under two sub-heads in the Grant partly offset by savings under other sub-heads. The following sub-heads were responsible for the excess over the Grant No. 90-Communications (including National Highways) :—

Sub-head	Final Grant Rs.	Actual Expenditure Rs.	Excess Rs.
A.—Original Works—Communications other than National Highways.			
A. 2.—Minor Works	3,92,500	5,89,043	1,96,543
B.—Repairs .			
B. 2.—Other Communications	58,09,700	80,25,938	22,16,238

2. The excess under the sub-head "A.2—Minor Works" mainly occurred in the North East Frontier Agency (Rs. 1.57 lakhs). The roads in this area are mainly hilly and border roads. The expenditure was incurred in order to provide adequate means of communications in view of the operational need arising out of disturbances in the area. It may be explained that due to the inadequacy of the grant, funds to the extent demanded by the Local Administration could not be allotted by the Government of India. The North East Frontier Agency Administration have, however, already been warned to avoid such excesses in future.

3. It may be added that for covering the increased expenditure on roads in the North East Frontier Agency, enhanced provision under the sub-head A.2.—Minor Works was asked for in the Revised Estimate 1957-58 but no increase was allowed on the ground that the actual expenditure of the preceding year and the progress of actuals for the first half of 1957-58 did not warrant any excess over the Budget Estimate. Due to special circumstances of North East Frontier Agency area during this year the authorities, however, could not restrict the expenditure to the actual allotments made.

4. The excess under the sub-head "B.2—Other communications" mainly occurred in Delhi, North East Frontier Agency, Naga-Hills-Tuensang Area and Himachal Pradesh. Expenditure on the maintenance and repairs of roads other than National Highways is booked under this sub-head. The excess expenditure was mainly due to

- (i) avoiding dislocation in the lines of communications and clearance of land slides in the hilly area of the North East Frontier Agency (Rs. 3.41 lakhs)
- (ii) undertaking of inescapable works necessitated by the political situation in the Naga Hills Tuensang Area (Rs. 4.44 lakhs)
- (iii) undertaking of certain urgent repair works, the postponement of which would have resulted in the deterioration of roads. (Delhi Rs. 3.13 lakhs)
- (iv) undertaking of urgent repairs to keep the roads open to traffic and settlement of old cases which could not be anticipated earlier than the close of the financial year. (Himachal Pradesh 7.58 lakhs).

5. It may be explained that in the Budget Estimate 1957-58, a provision of Rs. 57 lakhs only existed under the sub-head "B. 2—Other Communications". After a careful scrutiny of the demands received from the various executive agencies, a provision of Rs. 80 lakhs was suggested by the Ministry for inclusion in the Revised Estimate 1957-58. Increase over the budget provision of Rs. 57 lakhs was not however allowed by the associated finance as the actual expenditure of the preceding year and the progress of actuals for the first half of 1957-58 were said not to warrant any excess over the Budget Estimate. The final requirements for 1957-58 received from the executive agencies during January-February 1958 amounted to Rs. 83,38,500. As we had neither the funds nor the time to go in for a supplementary grant, the allotments to States had to be restricted to the amount of the funds at our disposal. It was possible to find a sum of Rs. 1,09,700 only out of the provisions under other sub-heads in the Grant. The Final allotments were therefore, restricted to Rs. 58,09,700 (Rs. 57,00,000 plus Rs. 1,09,700). The actual expenditure amounted to Rs. 80.26 lakhs.

6. The road works are executed through a large number of agencies of State Public Works Departments and Central Public Works Department. The estimates of requirements of these States, for which provision is made in the Grant, are based on the information furnished by them. They, in turn, are guided by the subsidiary establishments under them such as Chief Engineers, Superintending Engineers, Divisional Engineers etc. who execute the works actually. Every effort is made to control the pace of the expenditure. We have also issued a circular to all the States/Administrations to be very careful and avoid excesses. Certain items of expenditure working to a net amount of Rs. 31,683 were wrongly classified in the accounts. After taking into account these items, the actual excess in the voted portion of the grant works out to Rs. 19,28,774 which may be recommended for regularisation under Article 115 of the Constitution.

7. Under the charged section, the excess shown in the Appropriation Account is Rs. 547. This excess is because of erroneous adjustment of agency charges amounting to Rs. 666 on the decretal amount under "charged" instead of "voted" in the accounts. The misclassification came to notice too late for rectification in the year. As stated in the note 1 below the appropriation account, there is no real excess requiring regularisation under "charged".

8. This note has been seen by Audit.

H. P. SINHA,

Joint Secretary to the Government of India.

APPENDIX XI

MINISTRY OF WORKS, HOUSING & SUPPLY

Note for the Public Accounts Committee relating to Regularisation of excess in Grant No. 94—Other Civil works for 1957-58

The excesses disclosed in the appropriation account of the above mentioned grants are as under :

	Rs.
(1) Excess over Charged Appropriation	1,34,262
(2) Excess over Voted Grant	1,91,71,579

The reasons for the above excesses are given below :

(1) *Excess over charged Appropriation (Rs. 1,34,262/-)*

The excess of Rs. 1,34,262/- is made up as under :

Sub-Head	Budget Appropriation	Final Appropriation	Actual Expenditure	(+) Excess (-) Savings
	Rs.	Rs.	Rs.	Rs.
A—Original Works .	2,92,000	2,46,300	2,63,867	(+) 17,567
B—Repairs .	22,50,000	20,69,400	21,21,889	(+) 52,489
C—Establishments .	31,300	31,300	31,373	(+) 73
D—Tools & Plants	29,000	29,000	24,717	(-) 4,283
G—Suspense/Supp. Appropriation :	6,50,000 2,75,000 } 9,25,000	11,50,000	13,19,416	(+) 1,69,416
H—Reserve .	99,700			
Surrenders or with- drawals		1,01,000		(-) 1,01,000
TOTAL	36,27,000	36,27,000	37,61,262	(+) 1,34,262

It will be seen from the above statement that the excess is mainly under the head "Suspense" which alone accounts for Rs. 1,69,416/-. Further, there are also excesses under sub-head A—Original Works and B—Repairs amounting to Rs. 17,567/- and Rs. 52,489/- respectively. Part of the excess disclosed therein is covered by the savings in the appropriation as a whole, leaving a net uncovered excess of Rs. 1,34,262/-.

According to requirements furnished by the Military Secretary to the President on 8-1-58 the total provision required for expenditure during 1957-58 was of the order of Rs. 36,17,300/- against the Budget Appropriation of Rs. 32,52,300/- (excluding a sum of Rs. 99,700/- kept under the head 'Reserve') thereby showing an excess of Rs. 3,65,000/-. Further provision to the extent of Rs. 10,000 (roundly) was also required for meeting expenditure on furniture items which were wrongly classified by the Military Secretary to the President under 'Capital Grant' and this could be made available from the amount held under 'Reserve'. As part of the excess to the extent of Rs. 90,000/- could also be met from the head "Reserve", a supplementary appropriation of Rs. 2,75,000/- was obtained during the year. Again while finalizing the proposals for the final appropriation, the Military Secretary indicated an excess of Rs. 2,73,700/- against the original appropriation of Rs. 32,52,300/- or a saving of Rs. 1,300/- against the sum of Rs. 35,27,300/- i.e. (original appropriation, plus supplementary appropriation). This saving of Rs. 1,300/- along with the sum of Rs. 99,700/- under 'Reserve' was, therefore, surrendered to the Ministry of Finance on 19-3-1958.

The reasons for the major items of excess are given below—

(a) *A—Original Works (+) Rs. 17,567/-*

In the Budget for 1957-58, a sum of Rs. 2,92,000/- was provided for 'Original Works', and the amount was subsequently reduced to Rs. 2,46,300/- by re-appropriation in the final appropriation, as desired by the Budgetary authorities. But actual expenditure for the year under the head amounted to Rs. 2,63,867/- resulting in an excess of Rs. 17,567/- over the final appropriation. Of this excess, Rs. 6,206/- mainly related to the expenditure incurred during the closing months of the year 1957-58 "painting of roads with hot bitumen in President's Body Guard" in connection with the visits of V. I. Ps. This work was not anticipated to be carried out at the time of final grant. Further purchase of furniture for Rashtrapati Nilayam during the closing months of the year 1957-58 also contributed to the excess. The balance excess of Rs. 11,561/- is attributable to a number of urgent minor works executed in Rashtrapati Bhavan and President's Estates, New Delhi, which were not anticipated to be done during 1957-58.

(b) *B. 1—Repairs (+)Rs. 52,489/-*

The original provision of Rs.22,50,000/- was reduced to Rs. 20,69,400/- in the final appropriation by re-appropriation against which the actual expenditure for the year amounted to Rs. 21,21,889/- leaving an uncovered expenditure of Rs. 52,489/-. The excess is due to urgent repair works carried out during the closing months of the year 1957-58 which could not be postponed to the next financial year. This expenditure could not be foreseen in time for inclusion in the final appropriation for the year 1957-58.

G—Suspense :

In the budget for 1957-58, a sum of Rs. 6,50,000/- was provided under the 'Suspense' head and the amount was enhanced to Rs. 11,50,000/- in the final appropriation by a supplementary appropriation of Rs. 2,75,000/- and a re-appropriation of Rs. 2,25,000/-. The actual expenditure for the year, however, exceeded the final appropriation. The excess of Rs. 1,69,416/- was due to the fact that the unanticipated debits to the extent of Rs. 3,22,907/- by adjustment memos. through the Accountant General, Central Revenues and

Advices of Transfer Debits from other Public Works Divisions were received towards the close of the financial year as per details given below :—

		Rs.
February	1958	1,39,880
March	1958	1,18,317
March	1958 I. Sy.	13,431
March	1958 II Sy.	52,279
		3,22,907

These had to be accounted for in order to liquidate the outstanding liabilities. The figures could not be exactly determined for inclusion in the final grant.

In connection with the regularisation of similar excess in 1956-57, the P.A.C. pointed out that there was no necessity to treat a cost of stores required for works by the Military Secretary to the President as 'Charged' as the works themselves account for the cost of the material and they are treated as 'charged'. Accordingly the position was examined in consultation with the Ministry of Finance and the provision for stores appearing under "Suspense" will be treated as Voted with effect from 1959-60.

(2) *Excess Over voted Grant (Rs. 1, 91,71,579/-).*

The following table indicates the Budget Grant. Final Grant, the actual expenditure and the Excess Savings under the various sub-heads in the Voted Section of the grant :—

Sub-Head	Budget Grant	Final Grant	Actuals Expenditure	(+) (-)	Excess Savings
A—Original Works	68,18,200	68,92,080	63,71,647	—	5,20,433
J.—Lump provision for Civil Works in Naga Hills— Tuensang Area.					
Supp. Grant	+6,90,000				
B—Repairs	2,68,28,300	3,29,16,910	3,36,24,367	+	7,07,457
Supp. Grant	+43,12,000				
C—Establishment	3,18,79,400	3,16,12,610	3,13,65,597	—	2,47,013
K.—Lump provision for addl. Dear- ness Allowances under Interim Report of the Pay Commission .					
Supp. Grant	+7,00,000				

Sub-head	Budget Grant	Final Grant	Actual Expenditure	(+) Excess (-) Savings
D—Tools & Plants Supp. Grant	24,34,000 +5,00,000	31,19,100	26,39,026	-4,80,074
E—Furniture	3,90,000				7,45,700	5,83,014	-1,62,686
F—Grant-in-Aid Contributions etc.	1,08,93,800	91,96,500	90,80,996	-1,15,504
G—Suspense Supp. Grant	12,61,00,000 +2,76,68,000	15,59,93,700	17,60,28,120	+2,00,34,420
H—Reserve	13,00,300			
I—Material and Equipment under T.C.A. Programme	7,000	12,900	..	-12,900
L—Charges in England	1,000	1,000	812	-188
Surrender or Withdrawals	..	31,500	..	-31,500
TOTAL	24,05,22,000	4,05,22,000	25,96,93,579	+1,91,71,579

From the above statement, it will be seen that the entire excess expenditure is accounted for under the "suspense" head which discloses an over all excess of Rs. 2,00,34,420/-. Part of the excess was met out of the Savings arising from other Sub-heads of the Demand, leaving an uncovered excess of Rs. 1,91,71,579/- requiring regularisation.

In the original Budget, a sum of Rs. 20,66,52,000/- was provided which was increased to Rs. 24,05,22,000/- by a supplementary grant of Rs. 3,38,70,000/- in February (1958 Session of Parliament). Of this Supplementary Grant, the provision for 'Suspense' head alone was of the order of Rs. 2,76,68,000/- to meet the demands of the following budgetary authorities :—

	Rs.
1. Central P.W.D.	2,50,00,000
2. Manipur Admn.	6,68,000
3. Tripura Admn.	20,00,000
	<u>2,76,68,000</u>

The other budgetary authorities *viz.*, Himachal Pradesh, N.E.F.A., Andaman & Nicobar Islands, etc. did not intimate any additional demand for the "Suspense" head.

The reasons for the excess under the "Suspense" head are given below :—

G.—*Suspense* :

The final grant of Rs. 15,59,93,700/- under this head was intended to meet the requirements of the following budgetary authorities :—

Budgetary Authority	Budget Grant	Supp. Grant.	Reappropriation	Total
	Rs.	Rs.	Rs.	Rs.
1. Delhi Admn. .	30,00,000	..	—4,00,000	26,00,000
2. Central P.W.D. .	11,71,00,000	2,50,00,000	..	14,21,00,000
3. Andaman and Nicobar Islands	16,00,000		—3,35,000	12,65,000
4. N.E.F.A. .	14,50,000		+5,79,600	20,29,600
5. Naga Hills Tuensang Area .	..	..	+3,50,000	3,50,000
6. Manipur Admn. .	3,50,000	6,68,000	—1,49,200	8,68,800
7. Tripura Admn. .	16,00,000	20,00,000	+11,18,800	47,18,800
8. Himachal Pradesh	10,00,000	..	+10,55,300	20,55,300
9. Estate Office .	..	..	+6,200	6,200
TOTAL .	12,61,00,000	2,76,68,000	+22,25,700	15,59,93,700

Against the final grant, the actual expenditure for the year amounted to Rs. 17,60,28,120/- resulting in an excess of Rs. 2,00,34,420/- which is accounted for as follows :—

	Rs.
1. Delhi	+3,19,878
2. Central P.W.D.	+38,83,922
3. Andaman & Nicobar Islands	+1,78,212
4. N. E. F. A.	+25,58,467
5. Naga Hills Tuensang Area	+10,81,931
6. Manipur'	+14,95,154
7. Tripura	+8,90,749
8. Himachal Pradesh	+96,26,605
9. Estate Office	—498
	<u>+2,00,34,420</u>

Delhi (Rs. 3,19,878/-) :

Against the final grant of Rs. 26,00,000/- under the "Suspense" head, Delhi Administration has incurred an expenditure of Rs. 29,19,878/- which has resulted in an excess of Rs. 3,19,878/- under that head. It has been explained by Delhi Admn. that the excess resulted on account of :-

	Rs.
(1) Procurement of material for the work of Delhi Milk Supply Scheme during the closing months of the year 1957-58 which has started in March, 1958 and was not anticipated at the time of submission of final budget estimates	2,12,326
(2) Receipt of unanticipated debits in Supplementary accounts—March, 1959	1,07,552
	3,18,878

The liabilities could not be envisaged by them for obtaining a Supplementary Grant in time.

Central P.W.D. (Rs. 38,83,922/-) :

The original budget grant of Rs. 11,71,00,000/- was enhanced to Rs. 14,21,00,000 by a Supplementary Grant of Rs. 2,50,00,000/- under the 'Suspense' head during 1957-58. Against this final grant the C.P.W.D. has incurred an expenditure of Rs. 14,59,83,922/- resulting thereby in an excess of Rs. 38,83,922/-. This excess under "Suspense" has been explained as due to adjustment of more debits as a result of the receipt of larger stores than anticipated. The adjustment made in March, 1958 Supplementary Accounts for 1957-58 aggregated to Rs. 1,34,12,000/- as detailed below :-

Sub-head	Amount adjusted in Supplementary Account
	Rs.
G.—Suspense :	
G. 1.—Stock	
G. 1(1)—Charges	14,85,000
G. 3.—Other Suspense Accounts	
G. 3(1)—Charges	1,19,27,000
TOTAL	1,34,12,000

Andaman & Nicobar Islands (Rs. 1,78,212/-) :

The Andaman & Nicobar Islands Administration has incurred an expenditure of Rs. 14,43,212/- under the 'Suspense' head during 1957-58 while the final grant for the same head was fixed at Rs. 12,65,000/- This has resulted

in an excess of Rs. 1,78,212/-. The Andaman and Nicobar Islands Administration has explained that the excess was due to heavy adjustment of old outstanding adjustment memoranda received from the Accountant-General, Central Revenues during the closing months of the year 1957-58 to clear the Suspense Accounts.

N.E.F.A. (Rs. 25,58,467/-) :

The excess of Rs. 25,58,467/- under the 'Suspense' head is due to the fact that N.E.F.A. Admn. has incurred an expenditure of Rs. 45,88,067/- while the final grant under the same head for 1957-58 was fixed at Rs. 20,29,600/-. In this connection, the N.E.F.A. Admn., has stated that the expenditure could not be restricted to final budget provision because heavy quantities of materials *i.e.*, Steel, C.G.I. Sheets, Cement, Timber, Jeeps, Bull Dozers etc., were received and adjusted during the closing months of the year which could not be anticipated earlier.

N.H.T.A. (Rs. 10,81,931) :

Against the final grant of Rs. 3,50,000/- under the "Suspense" head, the N.H.T.A. Admn., has incurred an expenditure of Rs. 14,31,931/-, thereby showing an excess of Rs. 10,81,931/-. The excess has been explained by the N.H.T.A. Administration as due to inclusion of provision for net expenditure, instead for gross.

Manipur Admn. (Rs. 14,95,154/-) :

The Manipur Admn. has incurred an expenditure of Rs. 23,63,954/- against the final grant of Rs. 8,68,800/- fixed during 1957-58 under "Suspense". This has resulted in an excess of Rs. 14,95,154/- which has been explained as due to debits for purchase of certain machines as well as building material, such as bricks, cement, steel etc., for stock and utilization on works, having been received at the fag end of the year.

Tripura Admn. (Rs. 8,90,749/-) :

The original budget grant of Rs. 16,00,000/- under the "Suspense" head was increased to Rs. 47,18,800/- by providing an amount of Rs. 20,00,000/- through Supplementary Grant and Rs. 11,18,800/- by re-appropriation. Against the final grant of Rs. 47,18,800/- under this head, the Tripura Admn. has incurred an expenditure of Rs. 56,09,549/- resulting in an excess of Rs. 8,90,749/-. The Tripura Administration has stated that Tripura being situated in the remote locality, purchase of materials had to be made against specific works as well as reserve stock in order to restore rapid progress of work and to guard against sudden shortage of materials. Moreover, the factors on which these were depending could not be determined accurately at the time of submitting Supplementary Grant proposals *i.e.*, extent to which the suppliers bills would be received and paid. Advices of Transfer Debits and Adjustment memos. of the A.G., adjusted.

Himachal Pradesh (G—Suspense Rs. 96,26,605/-) :

The original budget grant of Rs. 10,00,000 under 'Suspense' during 1957-58 was enhanced to Rs. 20,55,300 by re-appropriation. Against this final grant, the Himachal Pradesh Administration has shown an actual expenditure of Rs. 1,16,81,905 which has resulted in an excess of Rs. 96,26,605. It has been reported by the Himachal Pradesh Administration that the excess,

was due to purchase of building materials during the closing months of the year 1957-58 required for various Central Works taken up for execution including 'New Bilaspur Township Project'. Moreover, due to inadequacy of staff and shortage of experienced men, it was not possible for them to estimate their requirements properly.

General :

The bugeting and accounting of "Suspense" head has been creating a problem for the last few years and the whole procedure is already under examination in Ministry of Finance in consultation with the Comptroller and Auditor General of India. At present the procedure is complicated and it has not been found practically possible to forecast the estimates under this head with any degree of accuracy. Certain items of expenditure amounting to Rs. 69,829/- were misclassified in the accounts. The mis-classifications were detected too late for rectification. The actual excess in the grant is Rs. 1,91,01,750/- only.

The excess of Rs. 1,34,262/- in the Charged Section and Rs. 1,91,01,750/- in the Voted Section may be recommended for regularization by Parliament.

NEW DELHI ;
December 4, 1959.

M. R. SACHDEV,
Secretary to the Government of India.

APPENDIX XII
 No. F. 8 (56)-B/59
 GOVERNMENT OF INDIA
 MINISTRY OF FINANCE
 (DEPARTMENT OF ECONOMIC AFFAIRS)

New Delhi, the 10th November, 1959.

MEMORANDUM

SUB:—Notes regarding the excess in the Grants and Appropriations as reported in the Appropriation Accounts (Civil) for 1957-58 relating to the Ministry of Finance.

Charged Appropriation—Interest on Debt and Other Obligations and Reduction or Avoidance of Debt.

Excess Rs. 1,21,43,472

The excess occurred mainly under the sub-head 'A-1-Interest on Permanent Loans'. The estimates under this head are framed on the basis of the interest bearing loans of the Central Government outstanding from time to time including the new Market loans likely to be floated during the year. The drawal of interest however is an uncertain factor and depends upon the claims actually presented and paid during the year. Accordingly, it is difficult to make a precise estimation of the amount of interest that would be drawn in a year including arrears of interest relating to previous years.

Although, on the basis of the actual amount of loans outstanding the provision of interest for the purposes of the Revised Estimates, worked out to about Rs. 52.52 crores, it was felt that in view of the persistent savings in the past under this head in particular and the Appropriation as a whole generally, as indicated below, the final estimates after providing for necessary funds under other heads may be fixed at a lower figure of Rs. 50.77 crores.

(In lakhs of Rs.)

	Interest on Permanent Loans			Appropriation as a whole		
	Final Appropriation	Actual Expdr.	Saving	Final Appropriation.	Actual Expdr.	Saving
1954-55	42,73	41,94	79	88,73	87,56	1,07
1955-56	46,26	45,39	87	101,32	96,03	5,29
1956-57	48,58	47,40	118	108,56	104,48	4,08

This expectation did not, however, materialise and as a result of more drawal of interest including arrears than anticipated, the Appropriation as a whole was exceeded by Rs. 1·21 crores.

The position is being reviewed in the Ministry to devise further ways and means for securing closer estimation in future. The Accounts Officers will be consulted in due course.

This note has been seen by Audit.

SHIV NAUBH SINGH,
Joint Secretary to the Government of India.

To

The Chairman and Members of the Public Accounts Committee.

APPENDIX XIII

MINISTRY OF FINANCE

(DEPARTMENT OF REVENUE)

Excess in Grant No. 28—Customs—1957-58

28—Customs

(Charged)

Original and Supplementary Appropriation	Actual Expenditure	Excess
Rs.	Rs.	Rs.
1,000	2,027	1,027

There existed no provision for charged expenditure in the Customs Grant during the year 1957-58. A Supplementary Grant of Rs. 1,000/- was, however, obtained in the Budget Session of the Parliament in January, 1958 in the West Bengal Circle of Account to meet a party's claim for costs amounting to Rs. 614/- decreed against the Government by the small causes Court, Calcutta in a Customs case. Subsequently, in another case filed by a firm, the City Civil Court, Bombay gave an adverse decision against the Government on 13-11-1957. It was decided by Government on 11-1-1958 not to file an appeal against the decision of the Court. As a result, thereof, the Customs Department had to pay a sum of Rs. 5145·73 to the Registrar, City Civil Court, Bombay in satisfaction of the Court decree received from the Government Pleader only on 18-2-1958. Out of this amount, a sum of Rs. 3733·12 pertained to refund of Revenue and the balance of Rs. 1412·61 was to be paid by way of (i) decretal costs to the party concerned (Rs. 611·75) (ii) interest upto 13-11-1957 the date of judgment (Rs. 750·13) and interest from 13-11-1957 till 16-3-1958 the date of payment (Rs. 50·73). As the payment was inevitable and to avoid accrual of further interest on the decretal amount, the Collector of Customs, Bombay, deposited the said decree amount in the Court on 16-3-58 *in anticipation* of Government's approval. Afterwards, the Collector approached the Government in April, 1958 for *ex-post-facto* approval to the payment of the decretal costs and for providing necessary provision (Charged) in the Bombay Circle to adjust in the accounts the expenditure of Rs. 1412·61. As the financial year was over and there was no opportunity either for applying for a supplementary grant or obtaining an advance from the Contingency Fund, the decretal costs in question remained uncovered. Under the circumstances, the expenditure in the charged Section exceeded the appropriation by Rs. 1,027.

D. P. ANAND,

Joint Secretary to the Government of India.

APPENDIX XIV
MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE)

30—*Taxes on Income Including Corporation Tax
and Estate Duty*

Original and Supplementary Appropriation	Actual Expenditure	Excess
Rs.	Rs.	Rs.
55,000	60,255	5,255

During the year 1957-58, no provision under the charged grant on account of anticipated amount of decretal cost was made as a similar provision under the grant "Supply" was objected to by the Estimates Committee. However, supplementary grants of Rs.33,000 and Rs.22,000 were obtained in December 1957 and March 1958 respectively to cover actual expenditure incurred till then in the various charges in the Income-tax Department.

◆ Subsequently, in another case decided by the Court on 22-5-1957 and intimation to pay received on 2-12-1957, the Commissioner of Income-tax, Bombay City had to make a payment of Rs.5,852.30 on 10-2-1958. He made a request for further funds on 3rd February, 1958. On 17th February, 1958 he was informed that it was too late to obtain a supplementary grant. The payment was inevitable and was, therefore, made in anticipation of Government's approval. An advance from the Contingency Fund was not obtained before making the payment. As a result of other savings and excesses, the net excess has been reduced to Rs. 5,255.

2. It has since been decided in the Ministry of Finance O.M. No. F. 2(55)-B/57, dated 12-6-1957 that in the Departments where such awards are a normal feature, provision may be included as "Charged" item of expenditure for the likely payments to be made during the year on account of awards, decrees, etc. Accordingly, provision for "Charged" grant has been made during the year 1958-59 and subsequent years on this basis. This difficulty is not, therefore, likely to arise in future.

V. V. CHARI,

Joint Secretary to the Government of India.

APPENDIX XV

Procedure regarding control of expenditure incurred by one department on behalf of another in respect of Supplies and Services and adjustment of debits therefor.

In connection with the excess of Rs.17·03 lakhs in Grant No. 38—Miscellaneous Departments and Expenditure under the Ministry of Finance for 1954-55, the explanation given was that the work of construction of the Tribhuvan Rajpath and maintenance of the Gauchar airfield was being done by the Defence Department though debitable to Civil Estimates and debits raised on account of that work by the Controller General of Defence Accounts against the Civil Department in the accounts for March, 1955—Supplementary, proved larger than anticipated. This gave rise to the question of effective control over expenditure incurred by one Department on behalf of another which is adjusted through book transfers and the Comptroller and Auditor-General promised a note.

2. When Central Civil Works are executed by the M. E. S. the Civil rules in the C. P. W. D. Code are applied except in regard to technical and engineering matters which are regulated under M. E. S. Regulations. Rule 442 of the C. P. W. A. Code provides as follows :—

“ In respect of work done in a division for other divisions, departments, or Governments, the intimation of the transfer will be given after audit, by the Accountant General to the Accounts Officer concerned or to the division or department for which the work is done, if in the same circle of account. The division undertaking the work is responsible that the transactions are brought to account under the remittance or other head concerned, and that works accounts are maintained and vouchers submitted to the Accountant General in the same way as for works of the division itself. *It will further be responsible that the estimate and appropriation for the work, as communicated or accepted by the party for which the work is done, are not exceeded without further authority from it and if any savings are anticipated, they are notified and surrendered in time* ”.

A similar provision also exists in Para 93 of the General Financial Rules, Vol I, which reads as follows :—

“ In order to ensure that a department undertaking a work on behalf of another does not exceed the sanctioned estimates without the authority of the employing department, the department responsible for providing the funds should intimate to the department undertaking the work the sanctioned grant within which the expenditure is to be incurred. The department incurring the expenditure shall be responsible not only for seeing that the allotment placed at its disposal is not exceeded but also that any anti-

anticipated savings are notified and surrendered in time. In cases where an excess is anticipated, the department incurring the expenditure shall be responsible for obtaining the additional allotment in proper time through the employing department ”.

These provisions are in accord with the recommendations which the Public Accounts Committee made in their report on the accounts for 1927-28.

3. If the Ministry of Finance had communicated to the Defence authorities the sanctioned grant within which the expenditure was to be incurred and the latter had as soon as an excess was anticipated obtained additional allotment in proper time from the Ministry of Finance, the excess would have been avoided. The fact that the debit was actually raised by the Controller General of Defence Accounts in March Supplementary would not then have mattered and is not strictly a correct explanation for the excess, which is due more to non-adherence to codal provisions, than to the absence of a proper procedure.

4. On the general issue regarding control of expenditure which is not incurred direct by Drawing Officers of the Department through bills or cheques but debits for which are adjusted by book transfer in the accounts compiled by the Accountant General which was also raised in the discussion in the Public Accounts Committee, a large and important category of such transactions relates to stores purchased through the Director General, Supplies and Disposals. The procedure in this regard is laid down in the Supply Department's Manual of Office Procedure for Supplies as follows :—

In the case of indents forwarded to the Director General, Supplies and Disposals, for compliance, the indenting department is responsible to ensure that the total expenditure entailed by the indent has received the sanction of competent authority and that funds are available to meet the expenditure in the estimates of indenting department. Each indent is, therefore, required to be accompanied by a certificate over the signature of the indenting officer to the effect.—

- (i) that the expenditure involved in the indent including the estimated cost of freight and the departmental fees, where leviable, has received the sanction of the competent authority ; and
- (ii) that funds are available to meet the expenditure under the proper head in the sanctioned budget allotment of the indenting department or office.

Indents which cannot be executed during the financial year in which they are forwarded, are not complied with unless they are accompanied by a certificate over the signature of the indenting officer to the effect that the cost involved has received the sanction of the competent financial authority and that he has been authorised by Government to incur liability in respect of the stores indented for in anticipation of funds being provided for the same.

If an indent is received for the supply of stores during the currency of a financial year with the request that the debit for the cost of stores should not be raised until the next financial year the indenting officer is informed that as the postponement of payments is not permissible under the financial rules, the indent cannot be complied with in advance of the provision of funds.

After tenders are accepted, copies of acceptance of tender, supply order, etc. are forwarded, among others, to the Indenting Officer also.

The acceptance of a tender or supply order generally—

- (a) stipulates a definite delivery date, and
- (b) indicates the terms of payment.

When orders are placed towards the close of the year and the indenting officer has specially asked that payment should be made within the financial year, a remark is given at a prominent place in the order to ensure that the contractor will complete deliveries and present his bills in time so that payment is made within the financial year.

When orders for supplies payable in one financial year are not complied within time for payment during that year, the indenting officer has to be consulted before permitting supplies to be made which would have to be paid for in the next financial year. An extension of delivery period is not granted in such cases without consulting the indenter and getting his confirmation that arrangements have been made by him to carry over the allotment of funds to the next financial year.

Payments for stores purchased through the Director General of Supplies are made by the Pay & Accounts Officer, Works, Housing and Supply, who initially debits them to the Public Account and claims reimbursement by cheque or demand draft from the Accounts Officer of the indenting department. The claims are made four times a month, *i.e.*, for 1-8, 9-16, 17-24 and 25-30/31 from April to February and at more frequent intervals in March, for payments by cheques or demand drafts. There are also arrangements for settlement by Telegraphic Transfers of particularly heavy demands of not less than 5 lakhs of rupees. These arrangements which eliminate exchange accounts ensure fairly quick accounting of expenditure on purchases of stores through the Director General, Supplies and Disposals.

The orders in the Government of India, Ministry of Finance O.M. No. F.15(1)EGI/55, dated the 3rd August, 1955 (Annexure) further prescribe the maintenance of a register of liabilities. If this register is carefully maintained and there is proper liaison with the Supplying Department this should go a long way to prevent uncovered excesses or unsurrendered savings. The need for such liaison with the Supplying Departments on the part of Departments receiving the supplies has been repeatedly stressed by the Public Accounts Committee *vide* their recommendation on the Report on Accounts for 1944-45 leading to instructions issued in Government of India, Finance Department O.M. No. F.1 (155)/8/46, dated the 18th December, 1946 and para 15(1) in Chapter III of their First Report on the accounts for 1948-49 and unfinished Accounts (Civil) of 1947-48 (post-partition).

5. Thus the existing procedure in respect of control of expenditure over stores purchased through the Director General, Supplies and Disposals, is such that if actually complied with in practice it ought to give practically all the information that is necessary for purposes of a continuous and systematic expenditure control. This, however, does not mean that the system cannot be improved.

6. Payments for stores are also made by the High Commissioner for India in the U.K. or the India Supply Mission, Washington, or the Indian

Embassies elsewhere. In respect of payments made by the High Commissioner for India in the U. K., he holds them in suspense and asks at periodical intervals, without waiting for the closure of the month's account, for reimbursement from the Pay & Accounts Officers of the Food and Supply Departments. These Accounts Officers, while reimbursing the High Commissioner, book the expenditure relating to their own Ministries in their own books and in turn claim reimbursement from other Ministries, State Governments, Local Bodies etc. of expenditure relating to them in the same way as they do for similar payments for supplies in India.

The India Supply Mission render an account monthly to the Pay & Accounts Officer, Supply Department, and the transactions in that account are dealt with in the same way as payments made in India by the Pay & Accounts Officer, Supply Department.

Transactions for payment of stores that appear in the account of Indian embassies received by the Accountant General, Central Revenues, would normally be those that have already been authorised by the Accounts Officers of the Food or Supply Departments and for which they should have earmarked funds already. When these transactions appear in the books of the Accountant General, Central Revenues, the claims reimbursement from the Accounts Officers of these departments.

7. In all these cases the officer against whose allotment of funds the payment is debited gets the earliest intimation of it only through his Accounts Officer after the monthly account in which the debit is included has been closed.

Adoption of the following suggestions will improve matters considerably, and provide a second line of defence against lapses in proper and efficient control of expenditure :—

- (i) The paying authorities both in India and abroad should send automatically in every case an intimation to the indenting officer as soon as a payment is made on his behalf, independently of any action with the Accounts Officer for adjustment of the transactions. This could be done through a standardised form to minimise clerical work. The Government of India could issue instructions accordingly.
- (ii) The Accountants General should send intimation of adjustments of debits received from or demands made by other Accounts Officers to the Departmental Officer concerned, as soon as any such adjustment is made or the demand is accepted for payment instead of doing it after the closing of the month's accounts as at present. It is proposed to instruct Accountants General accordingly.

8. Besides the payments for stores purchased through other Governments/Departments, there are book adjustments in respect of cost of services rendered or supplies made by other Governments and also by other Departments of the same Government where under the directions in Chapter 4—Account Code Vol. I inter-departmental adjustment is permitted. In these cases the procedure generally is that invoices in triplicate are sent to the officer served or supplied who after scrutinising the invoice countersigns all and returns one copy to the Supplying Officer for raising necessary debits

through his Accounts Officer. When debits are received supported by the acceptance on invoices the Accountant General adjusts them without any further reference to the departmental officer. Where, however, a debit is not supported by a record of acceptance by an officer of the department concerned, the Accountant General is required [para 5(3), Annexure B to Chapter 5—General Financial Rules Vol. I] to obtain the concurrence of the department concerned before accepting and adjusting it. The suggestion at (ii) in the preceding para applies to such adjustments also.

9. The rules provide that inter-departmental and other adjustments are not to be made in the accounts of the past year if they could not have been reasonably anticipated in time for funds being obtained from the proper authority. In all cases, where the adjustment could reasonably have been anticipated as, for example, recurring payments to another Government or Department, and payments which, though not of fixed amount are of a fixed character etc., the Accountant General automatically makes the adjustment in the accounts before the accounts are closed. The onus of proving that the adjustment could not have been reasonably anticipated lies with the controlling officer (Note 3 below Para 321—General Financial Rules Vol I). This seems fair enough.

10. A third line of defence against lapses in proper control of expenditure will be provided by greater attention to regular, prompt and careful reconciliation of expenditure as per Departmental books with those as per the books of the Accountant General. This will bring to notice any omissions on the part of the Accountant General to intimate book adjustments made by him and to the extent to which this comes to notice within the year enable the Departmental Officer to see that it is covered by provision of funds and in respect of adjustments that could not reasonably be foreseen to arrange for their being reversed and taken to the next year.

M. S. RAMAYYAR,

Addl. Deputy Compt. & Auditor General (H).

Annexure

Copy of Office Memorandum No. F. 15(1)-E.G.I/55, dated 3-8-1955, from the Govt. of India, Ministry of Finance to all Ministries of the Govt. of India etc. and Comptroller and Auditor General of India, New Delhi.

SUBJECT :—*Control of Expenditure—Maintenance of Liability Registers.*

The undersigned is directed to invite a reference to para 12 of the General Financial Rules, Volume I, which prescribes, *inter alia*, that in order to maintain proper control over expenditure, a Controlling Officer should arrange to be kept informed not only of what has actually been spent from an appropriation but also what commitments and liabilities have been and will be incurred against it. Accordingly, the spending authorities and the Ministries of the Government of India should have an idea of the progressive liabilities and commitments in respect of which payments will have to be made (a) during the financial year and (b) in the following financial year. No procedure has, however, so far been prescribed as to how the Controlling Authority should obtain this information from the subordinate offices. It has now been decided in consultation with the Comptroller and Auditor General that a monthly Liability Statement in the enclosed form which should be progressive and give the position of outstanding liabilities up to the month to which the statement relates should be obtained by each Controlling Authority commencing from the month of October in each financial year. This Liability Statement will be in addition to the prescribed monthly statement in Form G.F.R. 7 which is only a statement of actual expenditure incurred. The Controlling Authority should maintain a Liability Register (in the same form as the Liability Statement) in which the particulars furnished in the monthly statements should be consolidated. This will not only facilitate the exercise of effective exchequer control and the preparation of correct budget estimates but will also help in the elimination of cases of excesses over grants and of non-surrender of savings.

2. The Ministry of Home Affairs etc. are requested to bring these instructions to the notice of all Heads of Departments and other Controlling Officers under them for compliance.

LIABILITY REGISTER FOR THE YEAR.....

Office of

Grant No.

Sl. No.	Nature of Liability	No. & date of indent or connected letter	Agency on which indent is placed or demand is made	Estimated cost
----------------	----------------------------	---	---	-----------------------

1	2	3	4	5
----------	----------	----------	----------	----------

Permissible excess over the estimated cost, if any.	Total liability (Col. 5+6)	Progressive amount of commitments	Probable month in which the expenditure will be accounted for in the departmental expenditure statement	Initials of the Branch Officer.
--	-----------------------------------	--	--	--

6	7	8	9	10
----------	----------	----------	----------	-----------

Record of Payment	Difference between Columns 7 & 11 Excess (+) Savings (-)	Initials of the Branch Officer	Remarks
--------------------------	---	---------------------------------------	----------------

11	12	13	14
-----------	-----------	-----------	-----------