

*to be circulated to the Drafting
Officers*
Revenue (1897) Department.

MISCELLANEOUS SERIES.

G.O., No. 3409

DATED 6th July

[Despatch Abstract.]

*Comm^d to the Secy of Dept^s under R.D.
P.W.: Fin: Dept^t. Comm^d ^{& to the Secy of the Sect.} instructions of the Govt^t
of India to the effect that the Budget, first
the revised estimate should be made the
basis of applications for additional grants.*

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

Government (1897) of Madras. FINANCIAL.

Recd.

Enclosures

Regd.

1897.

Spare copies

G.O., No. 461, 8th June 1897.

JUNE.

*all Heads of Departments
under the Revenue secre-
tariat.*

Applications for additional grants.

Communicating to Departments of the Secretariat the instructions of the Government of India to the effect that the budget, and not the revised, estimate should be made the basis of —

*To all Heads of Dep'ts: under
R.D.
Note for the Despatcher.*

*Please circulate this
ball drafting office
and their
clerks.*

*12/9/97
5/7/97*

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

Read—again the following papers:—

G.O., No. 3, Public, dated 6th January 1890.

ABSTRACT.—Communicating to Departments of the Secretariat Government of India letter intimating that the provisions in section III of the rules for the submission of memorials to that Government take the place of the instructions conveyed in the letter quoted.

G.O., No. 154, Financial, dated 15th February 1895.

ABSTRACT.—Recording resolution of the Government of India ordering submission by the Accountants-General and Comptrollers to the Local Governments and Administrations concerned of a copy of the local appropriation report, together with the annual consolidated statement of excesses over the budget grants.

G.O., No. 315, Financial, dated 11th April 1895.

ABSTRACT.—Recording, with remarks, resolution, Government of India, directing that, in submitting any proposals for fresh expenditure, it should in future be distinctly stated whether provision for the proposed charge has or has not been made in the budget estimate of the year; but ordering the continuance of the form prescribed by G.O., dated 29th June 1893, in the case of applications from heads of departments in preference to the new one now recommended by the Government of India.

G.O., No. 353, Financial, dated 2nd May 1895.

ABSTRACT.—Communicating to all heads of departments, for information and guidance, extracts from the Government of India circular embodying remarks regarding expenditure included in budget and revised estimates.

G.O., No. 602, Financial, dated 20th August 1895.

ABSTRACT.—Directing the attention of all heads of departments to the rulings relating to the preparation of budget estimates, in connection with the submission of the estimates for 1896-97; and forwarding copies of the pamphlet containing a summary of the ruling.

Read—also the following paper:—

Resolution of the Government of India, Finance and Commerce Department (Accounts and Finance—Estimates and Accounts), dated Simla, 18th May 1897, No. 2225-A.

Read again—

Resolution in this department, No. 6056, dated the 29th November 1889.

" " " No. 553-A., " the 31st January 1895.

" " " No. 1360-A., " the 21st March "

The Government of India have recently had under consideration certain applications from Local Governments for additional grants for Provincial and Local expenditure not provided for in the budget estimates of 1896-97. In these applications, instead of precise information being given regarding the nature or urgency of the new or additional expenditure proposed, the sanction of the Government of India was requested in general terms to the excesses of the revised estimates of the year over the budget grants under the various major heads of account.

2. It appears that, in making them the basis of applications for additional grants, the scope and object of the revised estimates have been imperfectly understood. It is therefore considered necessary to explain that the revised estimates of any year are a mere forecast, as accurate as possible, of what the actual results of the year are likely to be, independently of the question whether there is, or is not, authority for the expenditure included in those estimates; and that the figures adopted for them are useful only for administrative purposes and cannot be used for purposes either of budget control or of audit. The acceptance of the revised estimates does not warrant any departure from the rules for controlling and limiting expenditure by budget provision which have been laid down in the resolutions read in the preamble, and the figures of the revised estimates should not be taken as in any way superseding, for purposes of control of expenditure, the budget estimates passed by the Government of India.

3. The authorised grants made in the letters which convey orders on the budget estimates and any additional grants or re-appropriations made under proper sanction and authority, and not the figures in the revised estimates, should therefore always be made the basis of applications for any necessary additional grants. As soon as it becomes apparent that expenditure in excess of the budget grant will be necessary under any head and cannot be avoided, an application for an additional grant should be made, unless it is within the power of the Local Government to sanction the grant itself: full explanation of the particular items to which the excess is due and of the reasons for incurring the expenditure should be given; and specific re-appropriations of budget grants should be proposed, or, if it is necessary to go beyond the limits of budget grants, specific additional grants should be proposed; nor should the explanations required in these cases refer in any way to the revised estimates. It is not convenient that the revised estimates should be in any way connected with such applications, as their acceptance does not imply any sanction to the expenditure included in them.

4. It is also necessary to point out that additional grants for any year cannot be sanctioned after the close of the year; and that proposals for such grants as well as for re-appropriations of existing grants should therefore always be submitted in time to admit of orders on them being passed before the close of the year. Excesses of expenditure which are ascertained too late to admit of that should be dealt with as prescribed in the above-quoted Resolution of 31st January 1895.

Order.—Ordered that this resolution be communicated to all Local Governments and Administrations, to the Military, Public Works, Revenue and Agriculture and Foreign Departments, to the Comptroller and Auditor-General and to all Accountants-General and Comptrollers.

(Signed) R. A. GAMBLE,
Under Secy. to the Govt. of India.

ORDER—No. 461, Financial, dated 8th June 1897.

Communicated to departments of the Secretariat.

(True Extract.)

Chief Secretary.

To the Revenue Department.
" Public Works Department.
" Educational "
" Marine "
" Accountant-General.

Erd. Shaik Karim.

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