Revenue (1898) Department.

MISCELLANEOUS SERIES.

G.O., No. 4481

DATED 17th November 98

Circular

[Despatch Abstract.]

Communicating to the Heads of Department under the Revenue Secretariat G. O. Financial Department, prescribing a revised form for the preparation of the re-appropriation Statement that should accompany all applications for Sanction to expenditure which cannot be met from the Sanction budget grant.

BACK PAPERS.

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

FURTHER PAPERS.

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

Revenue 1898 Department

Current No 4540.

G.O. 31-7-98 No 2814 Rev.

G.O. 16-12-96, No 1878 Rev.

Government {1898} of Madras.

FINANCIAL.

Recd. 3 Nov. } 1898.
Regd. 4 " }

Enclosures

Spare copies

Accepted 17/11/98 1 circ

G.O., No. 951, 26th October 1898.

Endt. No 44481 dt 17th Nov 1898.

Communicated to the Heads of Depts: under the Revenue Secretariat.

OCTOBER.

To The Heads of Depts: under the BRD.

Re-appropriation of Grants.

Prescribing a revised form for the preparation of the re-appropriation statement that should accompany all applications for sanction to expenditure which cannot be met from the sanctioned budget grant.

Copies to Heads of Sections and draftsmen & clerks to be noted; also to the Cash keepers

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4.

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

READ—again the following papers :—

G.O., No. 608, Financial, dated 29th June 1893.

ABSTRACT.—Prescribing a revised form of statement proposing expenditure for which provision has not been made in the budget and which cannot be met from anticipated savings under grant heads.

G.O., No. 777, Financial, dated 14th November 1896.

ABSTRACT.—Prescribing a form to show the re-appropriation of grants and laying down certain rules for the submission of applications for additional allotments.

READ—also the following paper :—

From T. HESKETH BIGGS, Esq., Accountant-General, Madras, to the Chief Secretary to Government, dated 12th August 1898, No. 3933.

I have the honour to forward, herewith, copies of a letter from the Comptroller General to the Comptroller, Burma, and of its enclosure, on the subject of reappropriation of grants sanctioned by Local Governments to meet expenditure during a year for which sufficient provision had not been made in the estimates of that year.

2. Government will observe that though the re-appropriations made are usually from *ascertained savings*, yet they do not fully satisfy audit requirements; for under article 155 of the Civil Account Code, my office has to conduct the audit against the reduced grant. This is not possible unless the re-appropriation statement furnished to me contains full particulars as to the department or office whose grant is to be reduced or increased, as well as the particular head or heads of expenditure under which the grant is to be reduced or raised.

3. It is therefore necessary that the applications for funds should specify the heads—*i.e.*, *Salaries, Establishment, Travelling allowance of Gazetted Officers, Travelling allowance of Establishment, and Contingencies*—from which savings are anticipated. Such district details are unnecessary in the case of *Salaries, Establishment* and *Travelling allowance of Gazetted Officers*, as only the total departmental grant will be increased or reduced.

4. I have the honour, also, to suggest that the form prescribed in G.O., No. 608, Financial, dated 29th June 1893, may be modified so as to specify minor detailed and district savings and that the order of re-appropriation be communicated to the officer whose grant is reduced.

ENCLOSURES.

From C. J. RIVETT-CORNAC, Esq., Comptroller, Burma, to the Comptroller and Auditor General, the Treasury, Calcutta, dated Rangoon, 13th January 1898, No. T.A./Mis. 339.

I have the honour to inquire whether when a Local Government is able to foresee general provincial savings under a particular major head and sanctions an application by a district officer for a further budget allotment under that head, it is necessary that a re-appropriation statement showing the particular minor and detailed heads (subordinate to the same major head) from which re-appropriation is made should be sent to this office by the Local Government for audit purposes. To be of any use for audit purposes, it would be necessary that the re-appropriation statement, when sanctioned, should show the particular *districts*, the grants for which have been partially or wholly appropriated, and to obtain this information would entail a considerable amount of correspondence on the Local Government in each case.

2. This office has not hitherto asked for specific re-appropriation, when the Local Government has sanctioned an application for an augmented grant in any particular district, if the Local Government has declared that the increased grant asked for can be met by general savings in the province, under the same major head.

3. If my memory serves me correctly, specific re-appropriation by districts is not asked for in similar cases either in the Central Provinces or North-Western Provinces Account offices, but as the intention of the Civil Account Code is not very clear and the rules regarding the sanction of expenditure not provided for in the budget are evidently intended to be very restrictive, I think it as well to ask for orders on the point.

4. Under our present practice when a re-appropriation is sanctioned by the Local Government from general savings under the same major head, a note is made in the classified abstract of the district concerned of the extra grant allotted; but of course no deduction can be made from the grants of any other district, as none are specified in the re-appropriation statement. It is therefore impossible for us to conduct our audit against a reduced grant in another district.

From STEPHEN JACOB, Esq., Comptroller and Auditor General, the Treasury, Calcutta, to the Comptroller, Burma, dated 15th February 1898, No. 2275.

I have the honour to acknowledge the receipt of your letter, No. T.A./Mis. 389 of the 13th of January 1898, on the subject of a re-appropriation of grant to meet expenditure during a year for which provision had not been made in the estimates of that year. You enquire whether, when a Local Government is able to foresee general provincial savings under a particular major head and sanctions an application by a District officer for a further budget allotment under that head, it is necessary that a re-appropriation statement showing the particular minor and detailed heads from which re-appropriation is made should be sent to you by the Local Government. You point out that it is not the practice of your office, nor you think of other offices, to ask for specific re-appropriation in such a case if the Local Government declares that the increased grant can be met by general savings under the same major head and are doubtful whether the practice is in accordance with the intentions of the Government of India.

2. In reply I would invite your attention to the resolutions of the Government of India in the Finance and Commerce Department, No. 6056 of the 29th November 1889, and No. 2855 of the 8th of July 1891, which govern the question referred by you and upon which the rules in the Civil Account Code regarding the sanction of expenditure not provided for in the budget are based. In the resolution of 1889 the words used in connection with the re-appropriation are very emphatic. It is called in paragraph 4 (5) a "specific re-appropriation," and in paragraph 4 (2) it is laid down that where re-appropriation has been effected "the Audit office will conduct the audit against the reduced grant." It seems to me quite certain that an order that the excess expenditure is to be met by general savings under the same or any other major head does not come within the term "specific re-appropriation."

3. Further, it is clear that where no "specific re-appropriation" is made there can be no audit against a reduced grant, for no grant whatever is reduced. The Local Government sanctions a specific increase against unspecified savings. Every detailed grant remains as it was save that one which has been increased, and though the Local Government sanctions this increase against savings which it expects, that expectation which may or may not be realized does not operate to reduce any grant against which expenditure is proceeding; while, on the other hand, expenditure is going on all the time against the reduced grant. The audit officer cannot therefore apply his audit in respect of any specific reduction of grant.

4. The strict application of the orders of the Government of India may possibly cause some extra labour and trouble, but this is no sufficient reason for not carrying out these orders. The Government of India, it is tolerably clear, does not wish to render the sanction to these excesses an easy matter. The whole tone of the resolution is restrictive; the ordinary and general rule is that fresh expenditure is not to be sanctioned until provided for in the budget; and it is only

as an exception when *specific* re-appropriation can be effected, that the rule may be departed from. It is, therefore, beside the mark to say that compliance with the resolution will render re-appropriation difficult, for it is the intention of the Government of India that it should be possible only if the condition which it has laid down is fulfilled.

5. Whenever, therefore, the Local Government sanctions an extra grant to meet expenditure for which no, or no sufficient, provision has been made in the budget, it is necessary that a re-appropriation statement should be furnished to you specifying the grant to be reduced in such detail as may be necessary; to enable you to carry on all effective audit against the reduced grant.

No. 2276.

Copy together with that of the letter to which it is a reply, forwarded to the Accountant-General, Madras, for information and guidance.

Calcutta,
15*th February* 1898.

(Signed) STEPHEN JACOB,
Comptroller and Auditor General.

Order—No. 951, Financial, dated 26th October 1898.

Under article 158 of the Civil Account Code all applications for sanction to expenditure which cannot be met from the grant made at the beginning of the year must be accompanied by a statement showing how the expenditure is proposed to be met. A copy of this statement is furnished by the sanctioning authority to the audit office where, in cases in which re-appropriation is made from an existing grant, the audit is conducted against the reduced grant. The Governor in Council agrees with the Accountant-General in considering that this audit is not possible unless the re-appropriation statement referred to above contains full particulars as to the department or office the grant of which is reduced or increased and specifies as well the particular head or heads of expenditure under which the grant can be reduced or raised.

2. The form prescribed for use in this Presidency, which is contained in G.O., No. 608, Financial, dated 29th June 1893, does not afford sufficient detail. The revised form appended to these proceedings will in future be adopted by all heads of departments, who will be requested to ensure that all the particulars required therein are invariably furnished and that, where necessary, district details are given.

3. Under paragraph 3 of G.O., No. 777, Financial, dated 14th November 1896, all applications for additional allotments are at present submitted through the Accountant-General and that officer indicates, where possible, the head from which re-appropriation can be made. In future, when officers are unable to suggest re-appropriation from their own budget allotments, the Accountant-General will furnish the necessary details of the grants from which re-appropriation is suggested by him.

(True Extract.)

A Edgington
for *Chief Secretary.*

To the Departments of the Secretariat. (Rev)
„ all Heads of Departments under the Chief Secretary.
„ the Accountant-General.

Ed. T. K. Narayana Aiyangar.

Re-appropriation statement to accompany all applications for sanction to expenditure not provided for in the budget, or for additional allotments.

Department or Office.

Major, minor, sub and detailed heads of budget (*).	Heads of estimate proposed to be increased.			Heads of estimate proposed to be reduced.				Remarks.
	Amounts as in the sanctioned estimate.	Actual expenditure up to date.	Probable expenditure during remainder of the year.	Amount of additional allotment required.	Amounts as in the sanctioned estimate.	Actual expenditure up to date.	Probable expenditure during remainder of the year.	Amount available for re-appropriation.	
1	2	3	4	5	6	7	8	9	10
Total									

(*) The same detail must be given as in the printed Civil Budget Estimate.

NOTE—If no re-appropriation is possible, the urgency and necessity for the expenditure must be fully explained.

When given for copying 9
When copied } 189
When examined
When signed

READ AGAIN G.O., No. DATED
189 ,

CURRENT No.

ENCLOSURES TO C. No.

ORDER OF GOVERNMENT	A	A	A	A	A	A	A		
LETTER OF GOVERNMENT.									
STATEMENT WITH DITTO.									
PAPERS NOT FILED UP, BEING MEANT FOR DESPATCH IN ORIGINAL.									

N.B.—
A = Copy in full.
B = Not to be copied.
P = Copy abstract only.
C = Copy heading only.